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62-116395

Serial Scope:

586 - Bulky

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8/5/75
request

III - D (1 thru 7)
FBI LEGAL ATTACHES



RETAIN

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serial 586

UNITED STATES GOVERNMENT

Memorandum

SECRET

Tolson	_____
Sullivan	_____
Mohr	_____
Wick	_____
Brennan, C.D.	_____
Callahan	_____
Casper	_____
Conrad	_____
Dalbey	_____
Felt	_____
Gale	_____
Rosen	_____
Tavel	_____
Walters	_____
Soyars	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

TO : MR. TOLSON

DATE: 6/7/71

FROM : W. C. Sullivan

cc Mr. Sullivan
 Mr. Mohr
 Mr. Callahan
 Mr. Brennan

SUBJECT: ESTIMATED COST OF PROPOSED
EXPANSION OF FOREIGN LIAISON

Please refer to the attached copy of a memorandum from Mr. Callahan to Mr. Mohr, dated 6/3/71. This memorandum points out that the proposed expansion of foreign liaison would result in an approximate cost of \$1,083,000. In regard to this matter, I must take what will be an unpopular position; one which runs counter to the present trend.

Frankly, I do not think that what we are getting from our foreign liaison offices warrants such a tremendous expenditure. We must face up to the hard realities in this matter. Specifically, I refer to the fact that, with the exception of one office, we are operating on strictly a liaison basis in foreign countries. We are not operational; therefore the kind of information we receive, in the main, cannot be considered high quality, firm, positive intelligence data. This is the kind of data in which the President is interested.

I recognize fully that there will be some who will disagree with me, but as I follow and understand our foreign liaison operations the more convinced I am that what we receive falls into four main categories, i.e.,

(1) there is information given to us which is in the nature of gossip;

(2) we receive opinions of native contacts in the countries where we are, or in some instances people in those countries from other nations;

(3) we receive what might be called "planted" information, expressly material which our native contacts give to us which they want conveyed via the FBI to the White House or other pertinent high-ranking U.S. officials---information that would serve the interests of their own countries; and

(4) lastly, we do from time to time develop information that, at least to us, appears to be of value, but this is not in sufficient quantity to justify the expense of our operations.

The same can be said of data relating to our criminal responsibilities.

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Classified by 6283
 Exempt from GDS, Category _____
 Date of Declassification Indefinite

CONTINUED----OVER

WCS:CSH (5)

Enclosure

SECRET

Mr. Tolson

SECRET

It is a matter of common sense to conclude that we cannot develop hard, high quality, positive intelligence by sending men to these countries only in a liaison capacity. They would have to be operational, with penetration of communications and the development of covert sources in sensitive areas. It would take years to actually develop operationally in foreign countries to the point where the product can be considered to be in depth and of great value.

It has been recommended, among other things, that we reopen our office in Brazil. Some years ago I strongly recommended closing that office because it was clearly unproductive. There is no reason to believe now that it would be any more so. The same is true of other offices.

It seems to me that the time has arrived to take a very honest, cold, impartial look at our foreign liaison operations. We should ask ourselves the question, "Would any real harm be done this nation if we did not expand and if a number of our current liaison offices were closed, with the money saved thereby being put to something more worthwhile and the manpower applied to our heavy domestic responsibilities?"

RECOMMENDATION -

For the information of the Director.

I can't agree with this. Certainly the President & W.C.D. Dr. Kissinger have in writing & orally complimented it for its liaison production abroad.

"I can't agree with this. Certainly the President & Dr. Kissinger have in writing & orally complimented FBI on its liaison production abroad." *W*

SECRET

King

SECRET

MR. MOHR

June 3, 1971

N. P. CALLAHAN

**ESTIMATED COST OF PROPOSED
EXPANSION OF FOREIGN LIAISON**

The Director noted on the attached memorandum from Mr. W. R. Wannall to Mr. C. D. Brennan dated 5/28/71: "What is estimated cost of this if approved?E."

The proposed expansion would require the assignment of an additional 29 employees (15 agents and 14 clerks) to Foreign Liaison. It is anticipated that we will not ask for additional employees but we expect to take the number from the 851 employees (500 Agents and 351 clerks) in our fiscal year 1972 request which begins on 7/1/71. The 29 employees if put on foreign assignment will cost the Bureau approximately \$100,000 additional. We have not provided for such funds and if the project is undertaken, the funds will have to come from some other source in our budget such as equipment. If we keep taking money from our equipment item we will soon be operating with obsolete equipment.

The total cost of foreign liaison operations would be increased by approximately \$1,083,000 on an annual basis broken down as follows: (1) expansion of existing offices--\$313,680; (2) reopening of former offices--\$315,502; and (3) opening of three new offices --\$453,818.

ACTION

None. For information

- 1 - Mr. W. C. Sullivan (sent direct)
- 1 - Mr. C. D. Brennan " "
- 1 - Mr. W. R. Wannall " "

NPC:gt
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REC'D POLICE
SEC'D CALLAHAN

JUN 3 1 13 PM '71

SECRET

UNITED STATES GOVERNMENT

Memorandum

SECRET

Tolson	✓
Sullivan	✓
Mohr	✓
Bishop	✓
Brennan, C.D.	✓
Callahan	✓
Casper	✓
Conrad	✓
Dalbey	✓
Felt	✓
Gale	✓
Rosen	✓
Tavel	✓
Walters	✓
Soyars	WBS
Beaver	✓
Tele. Room	✓
Holmes	✓
Gandy	✓

TO : THE DIRECTOR

DATE: 6/16/71

FROM : W. C. Sullivan

cc Mr. Sullivan
Mr. Mohr
Mr. Brennan
Mr. Beaver
Mr. Dalbey
Mr. Felt

SUBJECT: FBI FOREIGN LIAISON PROGRAM

This memorandum, with all ticklers attached (including my own), is being sent directly to you. I am doing this in order to prevent any gossip that might circulate around the Bureau had I taken the ticklers off and routed them. This will give you an opportunity to consider the entire matter and decide at what time you want to release the tickler copies.

As you know, this memorandum is predicated on your statement, written on Mr. Felt's memorandum of 6/10/71 to Mr. Tolson, which reads: "I would like to have from Sullivan a list of foreign offices he would recommend be closed now."

This complex subject matter will be handled in three stages: First, I will discuss the offices to be closed now, or within the foreseeable future. These relate to the long-established foreign liaison offices. Second, I will discuss the liaison offices which were opened during the latter part of 1970. Third, I will make reference to the proposed expansion of foreign liaison and the proposed opening of additional foreign offices.

FIRST STAGE

MADRID, SPAIN -

I recommend the closing of this office now. It was re-opened in June, 1969. Since that time the operational cost has been \$152,952. The Legal Attache's salary is Grade 15, \$25,867. The Legal Attache is Mr. V. V. Kolombatovic, whom I regard as an outstanding man. However, the work is simply not there and I question strongly that what we have received is worth the cost of operating this office.

I believe consideration should be given to transferring Mr. Kolombatovic to head the office in Copenhagen, where the Legal Attache is being recalled because of a security violation.

WCS:CSH (7)

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Classified by 6283
Exempt from GDS, Category _____
Date of Declassification Indefinite

52

SECRET

Memorandum to
The Director
Re: FBI Foreign Liaison Program

I realize that Mr. R. E. Potocki, Assistant Legal Attache in Paris, has been recommended to be the Legal Attache in Copenhagen; however, if this is cancelled it would mean moving only Kolombatovic to Copenhagen, leaving Potocki where he is, thereby keeping expenses down.

(I am aware that Ambassador Hill asked to have an FBI man assist him; that Mr. Hill is a personal friend of President Nixon; and that it is said he intends to retire soon. If the Bureau wishes to base its decision on this I have no further comment to make relative to this office.)

HONG KONG -

This office was opened in April, 1966, and since then it has cost the Bureau \$331,453. Again, I do not think we have in any way received value from the office which would even approximate remotely the cost of this operation. On the other hand, I recognize that Hong Kong is a sensitive area from the standpoint of Chinese intelligence operations. Therefore, I recommend that either the present Legal Attache, Dan Grove, be returned to this country for obviously failing to make the office productive and a new Legat be put in his place, or the Hong Kong Office be closed now. Mr. Grove is in Grade 16, with salary of \$29,067.

BERN, SWITZERLAND -

This office was opened in October, 1961, and since then it has cost \$457,085. Again, I fail to see that the product coming out of this office during the past ten years has in any way equaled the large expense involved. In view of the fact that the Paris Office can cover the situation at Bern, Switzerland, I think the unnecessary work in the Bern Office can be eliminated and this area should be covered by Paris. I recommend the closing of the Bern Office.

TOKYO -

This office was opened for a second time in November, 1954, and since then it has cost the Bureau \$934,748. Again, on examining, coldly and impartially, the product of this office

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SECRET

Memorandum to
The Director
Re: FBI Foreign Liaison Program

TOKYO (continued)

I fail to see that it is worth the money being put into it. The Legal Attache, H. L. Child, is in Grade GS 17, \$36,000 per year. (Parenthetically, I am preparing a separate memorandum in regard to salaries. For example, Mr. Child receives \$36,000 a year and has only one man under him, with obviously very limited responsibilities, whereas Mr. Courtland Jones of the Washington Field Office has over 200 men under him and is in Grade 14, \$27,061 per annum. I want to state without equivocation that in my judgment Mr. Jones handles more complicated and heavy responsibilities in one month than any of these Legal Attaches handle in an entire year.)

I recommend that the Tokyo Office be closed because the product is not worth the huge sum we have been spending on it.

BUENOS AIRES -

The Buenos Aires Office, since it was opened in March, 1965, has cost the Bureau \$380,477. Again, I do not think what we are getting out of this office is worth the large sum of money we are putting into it. This is no criticism of the Legal Attache, J. J. Wachter, who is a very able man and performed most creditably when he was in the Dominican Republic.

I recommend closing the Buenos Aires Office for lack of / ^{quality} productivity. (Once again, I am aware that Ambassador Lodge wants Mr. Wachter there to assist him, and that Mr. Lodge is very friendly to the Director and the Bureau.)

SECOND STAGE

In regard to the Second Stage, namely the Legal Attache Offices which were opened up last Fall, I seriously doubt the value to date of all these offices because they are purely liaison and not operational. Unless they are operational, along with other offices we are not going to develop any high quality, hard intelligence information. In particular, I question to date the value of what we have received from Caracas, Venezuela; LaPaz, Bolivia; and Managua, Nicaragua. However, as these offices were opened only last Fall, I do not recommend closing them at this time, but rather recommend that the offices just mentioned, plus Tel Aviv, Beirut, and Copenhagen, be allowed to continue for another six months. At the end of this time a searching, honest, objective, impartial analysis should be made to determine if the product received from such offices is worth the money being spent; if not, all of them should be closed.

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SECRET

Memorandum to
The Director
Re: FBI Foreign Liaison Program

THIRD STAGE

In regard to the Third Stage, namely the continued expansion and creation of new Legal Attache Offices (such as Manila; Rio de Janeiro; New Delhi; Santo Domingo; Canberra, Australia, and Kuala Lumpur), I am unalterably opposed, for reasons stated.

By the same token, I am adamant in opposition to the suggestion of adding additional men to such offices as Beirut, London, Caracas, Madrid and Tokyo.

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VIEWS OF MESSRS.
BEAVER, DALBEY AND FELT -

I have read the comments of the above-named men. It was somewhat more than mildly distressing and saddening to me to observe the lack of objectivity, originality, and independent thinking in their remarks. The uniformity and monolithic character of their thinking constitutes its own rebuttal. While I am certain it was not the intention of these important Bureau officials, who occupy unique roles, to create the impression in the reader's mind that they said what they did because they thought this was what the Director wanted them to say, nevertheless it seems to me this is the impression conveyed.

It has been my experience that the Director certainly does not want officials of the Bureau to try to guess what he would approve of, but rather wants men to think a subject-matter through and give their views, calling "a spade a spade," and "letting the chips fall where they may." The Director is fully capable of deciding for himself among conflicting viewpoints. To use any other approach is, I think, to render a disservice to the Bureau.

This current situation reminds me that a number of years ago it was pointed out that Inservice training, as it then existed, was of very little, if any, value to our field agents. All the agents in the field knew this. However, when it was

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- 4 -

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Memorandum to
The Director
Re: FBI Foreign Liaison Program

called to the Director's attention a number of Bureau officials went to great lengths to insist that there was nothing wrong with Inservice and that it should remain as it existed at the time. Change was opposed. The Director will recall the results of this controversy, for there was plenty wrong with Inservice. It had to be overhauled, and it was at the Director's instructions.

I am also reminded of a statement attributed to Tom Huxley which, though uttered years ago, fits the present subject-matter with rare exactitude. Huxley said that, when faced with a difficult problem, one should give up all pre-conceived beliefs, notions, prejudices and desires to please, and sit down with an open mind before the evidence, and follow wherever it leads, for otherwise no worthwhile contribution can be made.

I do wish, however, to point out that I think Mr. Felt made a useful contribution and a most valid observation when he commented favorably on the Mexico City Office (and I share his view), and concluded, "However, Mexico City is an operational office, whereas the others are not, and in my opinion this goes to the crux of the matter." Of course it does, and we should not lose sight of this major and decisive fact, or inundate it with irrelevant words.

- - -

SUMMATION

To sum up, since the offices to which I have alluded (in the first stage of this memorandum) were opened, we have spent a total of \$2,256,715, as of 6/15/71. It seems to me, from the standpoint of efficient administration, this money can be far better spent in the domestic field, where our primary responsibilities are and where our problems are increasing and becoming ever more complex. I am sure none of us are wholly satisfied with the way we are discharging our operational responsibilities in all areas of the domestic field. Further, we would be deluding ourselves if we believed that our Legal Attache positions are not the "plums" of the Bureau. They carry fine salaries, plus living allowances, opportunities for foreign travel, et cetera. These positions do not even

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- 5 -

SECRET

Memorandum to
The Director
Re: FBI Foreign Liaison Program

SECRET

begin to require, across the board, the heavy pressures and complex responsibilities which our field office administrators shoulder day in and day out. The Legats know this better, it seems than some of us here at the Bureau. How many Legats have asked to return to the field down through the years? And when a foreign office is opened we are flooded with requests to go. The "word" has certainly gotten around. The "plums" are well identified.

Additionally, the evidence points to the fact that, because of racial conflict, student and academic revolution, and possible increase in unemployment, this country is heading into ever more troubled waters, and the Bureau had better be fully prepared to cope with the difficulties which lie ahead. This cannot be done if we spread ourselves too thin and finance operations which do not give us proper returns for the dollars spent. We all know that the taxpayers of this country fully expect that the Bureau will give them the best possible return for their tax dollar. This is a truth which I think is most relevant to some of our foreign operations, and it is a truth which we ought not to ignore.

In order to keep this memorandum reasonably brief, I have not gone into all the reasons and into the many details which I can and will turn to if it is considered necessary. I am convinced that the offices I have discussed will not stand up under any honest, impartial, searching, professional analysis, from the standpoint of getting back full value for the dollars spent, as long as these offices are liaison and not operational. Also, we must be very careful not to mislead the President into thinking we can consistently develop for him, in volume and quality, high level, hard, positive intelligence information. It cannot be done on a liaison basis.

Lastly, I am not unmindful of the fact that the Director pointed out that we could get along quite well without an expansive domestic liaison section and, therefore, he dissolved it. Applying the Director's reasoning to foreign liaison, I think certainly the conclusion is valid that we can at least reduce it, with benefits to the Bureau.

RECOMMENDATION -

For the information of the Director.

W.E.J.

**DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
INTERNAL ROUTING/ACTION SLIP**

TO	BLDG.	ROOM	NAME/TITLE/ORGANIZATION	TO	BLDG.	ROOM	NAME/TITLE/ORGANIZATION
			<u>DIRECTOR'S OFFICE</u>				<u>DEPUTY ASSISTANT DIRECTORS</u>
	214	7176	MR. BRUEMMER		232	4026	MR. O'MALLEY
	214	7098	MR. HOTIS		232	4026	MR. FULTON
	214	7074	MISS DEVINE				<u>SECTION CHIEFS</u>
	245	7222	MR. BOYNTON		232	4825	MR. GRAY
	244	7162	TELEPHONE ROOM		242	4204	MR. PETERSON
			<u>ASSOCIATE DIRECTOR'S OFFICE</u>		232	4123	MR. SULLIVAN
	235	7142	MR. ADAMS				<u>FRONT OFFICE</u>
	235	7142	MR. MACK		232	4843	MR. J. NOLAN/ MR. J. STURGIS
	235	7110	MR. McDERMOTT		232	4011	MR. TANSEY
					232	4012	MRS. LISKEY
	235	7110	MR. FREENEY		232	4012	MISS TWEEDON
					232	4026	MRS. DeVOTO
			<u>ASSISTANT DIRECTORS</u>		232	4026	MRS. CUOZZO
	234	6012	ADMINISTRATIVE SERVICES		232	4011	MRS. HOLMES
	233	5012	CRIMINAL INVESTIGATIVE		232	4011	MR. SWEENEY
	341	11255	IDENTIFICATION		232	4011	
	232	4026	INTELLIGENCE				*****
	241	3090	LABORATORY		213	7825	CORRESPONDENCE - UCR SECTION
	245	7427	LEGAL COUNSEL		152	1B327	MAIL ROOM
	213	7125	PLANNING & INSPECTION		152	1B341	MESSENGER UNIT
	211	5829	RECORDS MANAGEMENT		234	6052	PERSONNEL SECTION
	213	7159	TECHNICAL SERVICES		242	4437	READING ROOM
	QUANTICO		TRAINING		222	5648	RECORDS BRANCH
					244	6247	COMMUNICATIONS CENTER
	232	4026	MR. CREGAR		156	3865	VOUCHER & PAYROLL SECTION

Thanked
WOB

- | | | |
|--|--|--|
| <input type="checkbox"/> RECOMMENDATION/COMMENT
<input type="checkbox"/> SEE REMARKS ON REVERSE
<input type="checkbox"/> MAKE COPIES (NO.)
<input type="checkbox"/> RETURN (BY) | <input type="checkbox"/> LOG
<input type="checkbox"/> FILE
<input type="checkbox"/> SEE ME
<input type="checkbox"/> CALL ME | <input type="checkbox"/> NECESSARY ACTION
<input type="checkbox"/> COORDINATE
<input type="checkbox"/> PER INQUIRY
<input type="checkbox"/> INFORMATION |
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FROM <p style="text-align: center; font-size: 0.8em;">W. O. CREGAR - ASSISTANT DIRECTOR INTELLIGENCE DIVISION</p>	BLDG. J. EDGAR HOOVER (JEH) PHONE 4880	ROOM 4026 DATE <p style="text-align: right;">, 1978</p>
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UNITED STATES GOVERNMENT

Memorandum

SECRET

- 1 - Mr. Sullivan
- 1 - Mr. Mohr
- 1 - Mr. Felt
- 1 - Mr. Callahan

- Tolson _____
- Sullivan _____
- Mohr _____
- Bishop _____
- Brennan, C.D.
- Callahan _____
- Casper _____
- Conrad _____
- Dalbey _____
- Felt _____
- Gale _____
- Rosen _____
- Tavel _____
- Walters _____
- Soyars _____
- Tele. Room _____
- Holmes _____
- Gandy _____

TO : Mr. C. D. Brennan

DATE: 5/27/71

FROM : W. R. Wannall

- 1 - Mr. Brennan
- 1 - Mr. Wannall
- 1 - Mr. Day

SUBJECT: EXPANSION OF FOREIGN LIAISON

Wannall

Pursuant to the Director's request, we have considered various steps which could be taken to expand our coverage abroad in order to augment our development of high-level intelligence of interest to the White House. There are areas of the world where political and other developments would be of keen intelligence interest and we have included some of these although we cannot expect that any substantial volume of data pertinent to the Bureau's domestic jurisdiction will be developed. Thus, assignment of Agents to such areas would be almost exclusively for the purpose of developing intelligence. We have also prepared an outline of our present coverage involving 42 Agents and 47 clerks assigned to 17 foreign offices. This outline reflects the changes which were made during the expansion effected in December, 1970, and is attached.

We believe that our coverage can be stepped up in our existing offices by increasing the complements of our Madrid, Beirut, Tokyo, London, and Caracas Offices. In addition, offices formerly operating in Rio de Janeiro, Santo Domingo, and Manila could be reopened, thereby relieving pressure on Buenos Aires, San Juan, and Hong Kong, which are presently attempting coverage on a roadtrip basis. New offices could be opened in Australia, Southeast Asia, India, and in the Benelux area. The office in India, presumably at New Delhi, would open an entirely new area and give us access to information of U. S. interest concerning India, Pakistan, and Burma. The office in Australia and in Southeast Asia would also relieve our office at Hong Kong which presently travels to these areas and would permit intensification of coverage in Hong Kong itself by the two Agents currently assigned. The additions contemplated above would involve an increase of no more than 20 Agents plus an appropriate clerical staff. Before making specific recommendations concerning the most productive locations in some of the areas considered, we believe we should secure the advice of some of our experienced men abroad who have worked in the areas and are intimately familiar with their potential. We plan therefore, if approved, to consult selected Legats by teletype on a highly confidential basis.

Enclosure

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GAD:bsf (8) Classified by 6283 ACTION - Page 2

Exempt from GDS, Category _____

Date of Declassification Indefinite _____

SECRET

537944-367-004

SECRET

Memorandum to Mr. C. D. Brennan
RE: EXPANSION OF FOREIGN LIAISON

We have carefully considered the possibility of opening an office in Helsinki, Finland, but we believe that Finland and the other Scandinavian countries can be adequately covered by our two-man office in Copenhagen, Denmark, and we do not believe the expense of opening an office in Helsinki would be justifiable at this time.

ACTION:

If approved, (1) we will request the views of selected Legats on the optimum locations for new offices, instructing that no discussion whatever is to be had with non-Bureau personnel concerning our plans.

"No. I am amazed that Domestic Div doesn't know enough about foreign situations to be able to decide such matters here. H"

(2) Upon receipt of the Legats' views, we will prepare specific recommendations for the Director's consideration.

AM *C. Brennan* *DS* *1/2/52* *g/k*

SECRET

SECRET

LEGAL ATTACHE OFFICES

A. Offices operating prior to expansion whose personnel was neither increased nor decreased by the expansion

<u>Office</u>	<u>Agents</u>	<u>Clerks</u>	<u>Total</u>
Bern	1	1	2
Hong Kong	2	2	4
London	2	3	5
Madrid	1	1	2
Ottawa	2	4	6
(one additional clerk approved for Ottawa subsequent to expansion and included in above)			
Rome	2	2	4
Tokyo	<u>2</u>	<u>2</u>	<u>4</u>
Sub-total	12	14	27

B. Offices operating prior to expansion in which personnel changes were made

<u>Office</u>	<u>Former Complement</u>		<u>Additions</u>		<u>New Total</u>
	<u>Agents</u>	<u>Clerks</u>	<u>Agents</u>	<u>Clerks</u>	
Bonn	2	3	1	1	7
Buenos Aires	1	1	2	2	6
Mexico City	12	12	-1	0	23
			(Reduction)		
Paris	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>6</u>
Sub-Total	17	18	4	4	42

C. New offices opened in December, 1970

<u>Office</u>	<u>Agents</u>	<u>Clerks</u>	<u>Total</u>
Beirut	1	1	2
Caracas	2	2	4
Copenhagen	2	2	4
La Paz	1	1	2
Managua	2	2	4
Tel Aviv	<u>2</u>	<u>2</u>	<u>4</u>
Sub-total	10	10	20
Grand Total	42	47	89

(One clerk under transfer to Ottawa is included in above but has not yet arrived)

SECRET

UNITED STATES GOVERNMENT

Memorandum

SECRET

- 1 - Mr. Sullivan
- 1 - Mr. Mohr
- 1 - Mr. Felt

- Tolson _____
- Sullivan _____
- Mohr _____
- Bishop _____
- Brennan, C.D. _____
- Callahan _____
- Casper _____
- Conrad _____
- Dalbey _____
- Felt _____
- Gale _____
- Rosen _____
- Tavel _____
- Walters _____
- Soyars _____
- Tele. Room _____
- Holmes _____
- Gandy _____

TO : Mr. C. D. Brennan

DATE: 5/28/71

FROM : W. R. Wannall

- 1 - Mr. Callahan
- 1 - Mr. Brennan
- 1 - Mr. Wannall
- 1 - Mr. Day

SUBJECT: EXPANSION OF FOREIGN LIAISON

As discussed in the attached memorandum Wannall to Brennan, 5/27/71, we have prepared specific recommendations for expansion of our foreign liaison for the purpose of increasing our production of high-level intelligence of interest to the White House. While we now have 17 foreign offices manned by 42 Agents, we suggest reopening of 3 former offices; opening of 3 new offices; and addition of one Agent each to 5 present offices. This would result in total of 23 offices manned by 57 Agents and 61 clerks, increasing present 89 personnel overseas to 118.

It is our recommendation that the following changes be considered: Add one Agent each to the following offices: Beirut, to take over coverage in Turkey and Iran; Caracas, to permit more thorough coverage of the large roadtrip territory in northern South America and the West Indies; London, to permit increased coverage in Ireland and more efficient handling of a large case load; Madrid, to expand coverage in Portugal and Morocco; Tokyo, to intensify coverage on Taiwan and in South Korea.

We suggest the following former offices be reopened: Manila, Philippines, to relieve Hong Kong of present roadtrip and provide closer following of political developments and more prompt handling of Bureau work; Rio de Janeiro, Brazil, to relieve Buenos Aires of present 2500-mile roadtrip and provide on the spot coverage in this important area which is larger than the U. S.; Santo Domingo, Dominican Republic, to relieve San Juan of roadtrip and furnish prompt coverage not only of Dominican Republic but of current political developments in Haiti.

We suggest the following new offices be established: Canberra, Australia, to cover Australia and New Zealand, relieve Hong Kong of roadtrip, and give on scene coverage in huge area where our work has been increasing; Kuala Lumpur, Malaysia, to cover Thailand, Malaysia, Singapore, and initiate coverage in

Enclosures

GAD:bsf

(8) REMOVED BY SRD

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CONTINUED - OVER

Classified by 6283

COPY MADE FOR MR. TOLSON

Exempt from GDS, Category

Date of Declassification Indefinite

Memorandum to Mr. C. D. Brennan
RE: EXPANSION OF FOREIGN LIAISON

Indonesia, relieving Hong Kong of roadtrip and providing more rapid coverage of area currently politically important; New Delhi, India, to cover India, East and West Pakistan, and Nepal. This is huge area where we have previously had no coverage but potential for political intelligence is high.

We have prepared and attached a summary of the changes proposed for consideration which indicates current Agent and clerical strength in each office and exact changes suggested. While attached memorandum suggested consideration of new office in Benelux area, we now believe present coverage by Bonn and Paris is excellent and should continue.

ACTION:

We stand ready to promptly implement all or any of the proposed changes which the Director may approve.

[Handwritten signatures and initials: JMA, [unclear], [unclear], [unclear], [unclear]]

"What is estimated cost of this if approved?"

What is estimated cost of this if approved?

*None
M. Callahan
6/3/71
[unclear]*

SECRET

LEGAL ATTACHE OFFICES

A. OFFICES PRESENTLY IN EXISTENCE

<u>Office</u>	<u>Present Complement</u>		<u>Proposed Additions</u>		<u>New Total</u>
	<u>Agents</u>	<u>Clerks</u>	<u>Agents</u>	<u>Clerks</u>	
Beirut	1	1	1	1	4
Bern	1	1	0	0	2
Bonn	3	4	0	0	7
Buenos Aires	3	3	0	0	6
Caracas	2	2	1	1	6
Copenhagen	2	2	0	0	4
Hong Kong	2	2	0	0	4
London	2	3	1	0	6
La Paz	1	1	0	0	2
Madrid	1	1	1	1	4
Managua	2	2	0	0	4
Mexico City	11	12	0	0	23
Ottawa	2	4	0	0	6
Paris	3	3	0	0	6
Rome	2	2	0	0	4
Tel Aviv	2	2	0	0	4
Tokyo	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>6</u>
Sub-total	42	47	5	4	98

B. FORMER LEGAL ATTACHE OFFICES PROPOSED TO BE REOPENED

<u>Office</u>	<u>Proposed Complement</u>		<u>Total</u>
	<u>Agents</u>	<u>Clerks</u>	
Manila	1	1	2
Rio de Janeiro	2	2	4
Santo Domingo	<u>1</u>	<u>1</u>	<u>2</u>
Sub-total	4	4	8

C. PROPOSED NEW OFFICES

<u>Office</u>	<u>Proposed Complement</u>		<u>Total</u>
	<u>Agents</u>	<u>Clerks</u>	
Canberra	2	2	4
Kuala Lumpur	2	2	4
New Delhi	<u>2</u>	<u>2</u>	<u>4</u>
Sub-total	6	6	12

GRAND TOTAL 57 Agents 61 Clerks 118 Total

SECRET

8/5/75 Request

JFK Act 6 (1)(B)

I - B
FBI RELATIONS

RETAIN COPY

Released under the John
F. Kennedy
Assassination Records
Collection Act of 1992
(44 USC 2107 Note).
Case#:NW 55148 Date:
4-12-2018

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure
Subject to Criminal Sanctions

This document is prepared in response to your request and is not for dissemination outside your Committee. Its use is limited to official proceedings by your Committee and the content may not be disclosed to unauthorized personnel without the express approval of the FBI.

Memorandum

CLASSIFIED
CONFIDENTIAL

TO : Mr. DeLoach

DATE: March 9, 1970

JFK Act 6 (1)(B)

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH [redacted]

Reference is made to the memorandum W. C. Sullivan to C. D. DeLoach dated 3/5/70, captioned as above. At that time the Director was advised this Division would make an analysis of each situation cited in the memorandum of Special Agent Sam J. Papich relative to grievances which [redacted] might hold in connection with relations with the FBI.

Enclosed will be found an analysis of 38 items (2 are contained in one memorandum, making a total of 37 memoranda). In substance our analysis does not show any real reason why [redacted] would raise any issue in connection with 37 out of the 38 items. The recommended action in each of these cases would logically close the matter. In one memorandum, the 37th item, ~~missed~~, it is recommended that a carefully worded letter to [redacted] outlining policy and the basic elements of intelligence and counterintelligence work affecting the United States be sent to that Agency. The purpose of this is to protect the Bureau by giving [redacted] a chance to make any comments, if it has any, in regard to the current utilization of sources and facilities affecting both [redacted] and the Bureau. If [redacted] replies that it is satisfied with the current intelligence conditions in this area, we will put this particular matter to rest and we will have their letter in the file.

This Division will take any and all steps to comply with the Director's wishes in this matter and in any other concerning which this Division is involved.

RECOMMENDATION:

For the information of the Director.

Classified by 12
Exempt from GDS, Category 2 & 3
Date of Declassification Indefinite

*Prepared same
by [signature]*

UNITED STATES GOVERNMENT

Memorandum

CONFIDENTIAL

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : Mr. W. C. Sullivan

JFK Act 6 (1) (B)

SUBJECT: RELATIONSHIPS WITH [REDACTED]
MOCASE (THE BORIS MORROS CASE)

Item number one in the material submitted to the Director by Special Agent (SA) Sam Papich in his memorandum 3/5/70 discusses the case of Boris Morros.(Mocase).

BACKGROUND OF CASE Boris Morros, a Hollywood motion picture producer, was recruited by Soviet intelligence in 1935. From 1947 to 1957 he was operated as a double agent by the FBI. This was an extremely sensitive counterintelligence operation involving Soviet intelligence activities in the United States in which Morros traveled behind the Iron Curtain for meetings with his Soviet principals.

Information obtained by Morros from his Soviet contacts was disseminated to interested agencies, including the Central Intelligence Agency. On January 25, 1957, Jack Soble, Myra Soble, and Jacob Albam were arrested in New York on charges of conspiracy to commit espionage against the United States.

PROBLEM WITH [REDACTED] On March 16, 1954, the Bureau disseminated information received from Boris Morros to heads of the various intelligence agencies, [REDACTED]

[REDACTED] criticized the information and, in effect, characterized it as "fabrication or the product of a paper mill," which conclusion [REDACTED] had been applied to many similar disseminations in the past from apparently the same source. By letter of April 5, 1954, the Bureau informed [REDACTED] that it was believed that no useful purpose would be served in making any future dissemination to [REDACTED] of information received from this source.

On April 9, 1954, [REDACTED] [REDACTED] advised Liaison Agent Papich that he had been looking into the matter and there was no question in his mind but that his agency had acted stupidly in transmitting such a letter to the Bureau.

CONFIDENTIAL

CONTINUED - OVER

~~SECRET~~

Memorandum to Mr. C. D. DeLoach

RE: RELATIONSHIPS WITH [REDACTED]

JFK Act 6 (1) (B)

[REDACTED]

JFK Act 6 (1) (B)

[REDACTED] expressed the opinion that no useful purpose would be served by disseminating to CIA information received from the source in the future.

Nevertheless, memorandum *NAME* to *NAME* dated April 28, 1954, pointed out that when and if the Bureau receives information in the Mocase in the future of a type required by National Security Council Directive to be furnished to CIA, it should be carefully evaluated and a decision made at that time as to the officials and agencies of the Government to whom it should be disseminated. [REDACTED] noted "OK but before anything goes to [REDACTED] This restriction does not apply to dissemination to other agencies. H"

Subsequent to the foregoing three disseminations were made to interested agencies, [REDACTED] based on information from Morros during October and December, 1954, and appropriate dissemination was made thereafter with the Director's approval.

As the time grew near for prosecutive action, the Department requested the Bureau to check with CIA to see if Department attorneys could [REDACTED]

[REDACTED] *NAME*
Accordingly, the Director authorized an oral briefing of [REDACTED] and on 1/8/57 he and *NAME* of his staff were generally briefed on the Mocase and the contemplated prosecution. They were furnished with background data concerning subjects residing in *PLACE, NAMES* [REDACTED]

JFK Act 6 (1) (B)

On March 4, 1957, *NAME* informed the liaison agent of resentment on the part of [REDACTED]

JFK Act 6 (1) (B)

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JFK Act 6 (1) (B)

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH [REDACTED]

(1) [REDACTED] feels it should have been advised much earlier concerning those aspects of the case relating to [REDACTED]

(2) Leads were given to [REDACTED] at the same time the case was publicized and, therefore, [REDACTED] was handicapped.

(3) The failure to coordinate the French aspects of the case with [REDACTED]

(4) [REDACTED] fears the Bureau had not told it all there was to know about the case that [REDACTED] should have known.

DISPOSAL OF PROBLEM WITH CIA The Bureau took the position that any necessary investigation looking toward prosecution in countries where Bureau had a Legal Attache would be referred by the Legal Attache to the appropriate investigative agency of that country. In those countries where the Bureau did not have a Legal Attache, request for investigation would be channelled through [REDACTED]. Because the NAME were in France, the interrogation of the NAME was handled by request from the Legal Attache to the French.

NAME during World War II had been with the Office of Strategic Services and had contacts later with [REDACTED]. Prior to decision on prosecution we did not disseminate information regarding the NAME because we feared the effects of compromise from possible leaks would endanger the life of our source. This was particularly true in view of [REDACTED] expressed attitude in 1954. [REDACTED]

JFK Act 6 (1) (B)

[REDACTED]. Leads were not given earlier because of the fear of possible compromise. As far as coordinating the French aspects of the case were concerned, it is doubted that [REDACTED]

JFK Act 6 (1) (B)

There was a distinct difference in this case between intelligence information and evidence in support of prosecutive action.

~~SECRET~~

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JFK Act 6 (1)(B)

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH [REDACTED]

Recently the FOREIGN INTELLIGENCE SERVICE has made some inquiries relating to Boris Morros indicating the FOREIGN may now believe Morros was either known to the Soviets as our agent or was under their control. It is not known if the FOREIGN have discussed this matter with [REDACTED]

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that [REDACTED] will make an issue of this matter.

~~SECRET~~

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/9/70

FROM : W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONSHIPS WITH

Item number two in the material submitted to the Director by SA Sam Papich in his memorandum dated 3/5/70

SENSITIVE ONGOING OPERATION

SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH [REDACTED]

JFK Act 6 (1) (B)

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that [REDACTED] will make an issue of this matter.

SECRET

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH [REDACTED]
THE ABEL CASE

JFK Act 6 (1)(B)

Item #3 in the material submitted to the Director by SA Sam Papich in his memorandum of March 5, 1970, discusses the Abel case.

According to Papich, [REDACTED] felt it was not given proper recognition for its contribution in the case, in that it took the risk and responsibility of transporting *NAME* from *PLACE* to the U. S. in 1957 after the Bureau declined to become involved in this transportation; that after a short handling period in the U. S. the Bureau dropped *NAME*, an alcoholic, because he became a problem and [REDACTED] took the responsibility of safeguarding him, giving the Bureau free access to him and time to develop leads leading to the apprehension of Abel; that [REDACTED] was responsible for making *NAME* mentally and physically capable to testify at the Abel trial; also, [REDACTED] incurred heavy expenses, all for the benefit of the Bureau; further, the Bureau never thanked [REDACTED] for its cooperation nor did it see fit to inform the Attorney General or the White House of the role played by [REDACTED]

BACKGROUND OF THE SITUATION:

Abel is the Soviet intelligence officer who was uncovered in the U. S. in 1957 through the defection of *NAME*
IDENTIFYING DATA

On the night of May 7, 1957, *NAME* of [REDACTED] advised *NAME* that *NAME* had walked into the American Embassy in *PLACE* about three days ago and was referred to [REDACTED]. He claimed he was a Soviet agent in New York since 1952 and gave certain details to back up his story. He claimed he was ordered back to Moscow and got "cold feet" in *PLACE* and wanted to cooperate with American officials. He was in a highly emotional state which led [REDACTED] to question his mental stability. It was the opinion of [REDACTED] that no steps should be taken to return *NAME* to the U. S. until the story was substantiated or demolished to reflect his actual status. Our New York Office immediately instituted investigation,

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SECRET

Memorandum Mr. W. C. Sullivan to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH [REDACTED]

JFK Act 6 (1)(B)

based on NAME disclosures and was not able to prove or disprove his story. On May 3, 1957, [REDACTED] was informed of the facts developed by our investigation and asked what action it intended to take regarding NAME return to the U.S. On May 9, 1957, [REDACTED] advised of a report received from [REDACTED] PLACE revealing that NAME had suffered almost a complete mental breakdown and that in view of his condition, arrangements were made by [REDACTED] for him to be returned to the U.S. by plane. On May 10, 1957, NAME was returned to the U.S. in the company of a [REDACTED]. On arrival our New York Agents were at the airport to take him over, but because of his emotional state, he was confined at the U.S. Marine Hospital in Staten Island until May 15, 1957, when he was released to the custody of our Agents. Immigration and Naturalization Service (INS) authorities arranged for his confinement in the U.S. Marine Hospital, Staten Island, for psychiatric examination through the U.S. Public Health Service. (Liaison Agent Papich had previously conferred with an INS official who had stated that if NAME condition warranted confinement upon his arrival in the U.S., an order would have to be issued by the U.S. Public Health Service).

NAME and his wife were placed in a midtown hotel by New York Agents and were under Bureau control from May 15, 1957, until June 20, 1957, when they were taken to their residence in PLACE at their request. All expenses for their maintenance were paid by the Bureau. During this period NAME and his wife were becoming a problem because of heavy drinking and irrational behavior.

On June 13, 1957, Abel was located by Bureau Agents when visiting his studio in Brooklyn, New York. Efforts by Bureau Agents and the Department to have NAME testify against Abel in a criminal prosecution were unavailing. With the Department's concurrence, we arranged for INS authorities to arrest Abel on June 21, 1957, on an alien warrant. After Abel's arrest, the Department continued to raise questions concerning NAME willingness to testify in an espionage prosecution against Abel and requested the Bureau to press NAME in that regard. We took the position that any efforts to induce NAME to testify should be made by the Department, as we realized that NAME would undoubtedly want assurances, such as remaining in this country and financial assistance, and the Department was so advised. The Department was also advised that the Bureau would no longer pay NAME subsistence and that other arrangements would have to be made. In an effort to solicit NAME cooperation, the Department conferred with [REDACTED]

[REDACTED] the entry of NAME into the U.S. under the authority granted the [REDACTED] indicated a willingness not only to sponsor NAME but also to assist in his rehabilitation

Memorandum Mr. W. C. Sullivan to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH [REDACTED]

JFK Act 6 (1)(B)

in the U.S., such as assisting him in obtaining a job and furnishing financial assistance for an extended period of time. On July 21, 1957 a [REDACTED] was placed in touch with NAME by New York Agents for this purpose. Our Agents also arranged for FBI's access to NAME whenever necessary. Subsequently, NAME agreed to testify and appeared before a Federal grand jury on DATE and DATE 1957.

As indicated above, we located Abeli on June 13 and he was taken into custody by INS on June 21, 1957. On July 21, 1957, over a month later, [REDACTED] instituted arrangements for NAME rehabilitation.

While [REDACTED] NAME, it was not at the request of the Bureau but at the request of the Department.

Regarding [REDACTED] complaint that the Bureau never thanked it for its cooperation, it is pointed out that a letter from the Director was sent to [REDACTED] on November 19, 1957, shortly after Abeli's conviction. It pointed out the excellent cooperation of NAME and his staff with the Bureau since the inception of this case and that the Director wished to express his personal appreciation to NAME and his staff for their valuable assistance.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that [REDACTED] will make an issue of this matter.

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UNITED STATES GOVERNMENT

~~SECRET~~

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONSHIP WITH THE

[REDACTED]

NAME

Item No. 4 in the material submitted to the Director by SA Sam Papich in his memorandum dated 3/5/70 discusses belief by [REDACTED] that damaging publicity regarding NAME emanated from a Bureau report. NAME was a [REDACTED] at the time and the publicity was felt to be damaging to [REDACTED] to Senator NAME who then released the information to the press.

Bureau files reveal that in a discussion between SA Papich and [REDACTED] on 7/10/53 [REDACTED] inquired of Papich as to where NAME could get information such as that released concerning NAME. Papich immediately informed [REDACTED] that if [REDACTED] was under any suspicion that the Bureau might be disseminating such information to Senator NAME he was definitely wrong and off base. Papich also told [REDACTED] that the results of the Bureau investigation concerning NAME had also been made available to the Atomic Energy Commission (AEC) as well as other interested agencies. [REDACTED] told Papich that he definitely did not feel that the Bureau was involved in the NAME releases to the press and that he was sorry if there had been an impression he suspected the Bureau.

There is nothing in Bureau files concerning NAME which would indicate that the Bureau did, in fact, supply any information concerning NAME to Senator NAME or the news media. There was considerable publicity concerning NAME at the time and it is noted that due to the fact that NAME,

IDENTIFYING DATA

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CONTINUED - OVER

Memorandum for Mr. DeLoach
RE: RELATIONSHIP WITH THE

18207
JFK Act 6 (1)(B)

[REDACTED]

there was possibly an element of potential embarrassment to the Democratic Party attendant to publicity afforded the matter by *NAME AND POSITION*. It is also noted that copies of reports of Bureau investigation concerning *NAME* had been disseminated, in addition to [REDACTED] to Civil Service Commission, National Security Agency, Atomic Energy Commission, Army and the Attorney General. A conflict broke out between [REDACTED] and Senator *NAME* after *NAME* publicly quoted from a document, not identified, which spelled out *NAME AND IDENTIFYING DATA*. The files indicate that [REDACTED] that the AEC had leaked the information in question to Senator McCarthy.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that [REDACTED] will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. DeLoach

DATE: March 6, 1970

FROM : W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONSHIPS WITH [REDACTED]
BUREAU DISSEMINATION OF INFORMATION
CONCERNING NAME

Item number five in the material submitted to the Director by SA Sam Papich with his memorandum 3/5/70 discusses a question raised by former [REDACTED] concerning the propriety of FBI dissemination of information concerning NAME who IDENTIFYING DATA

The particular information referred to by [REDACTED] had been furnished FBI by NAME IN DEPARTMENT OF LABOR made several accusations against [REDACTED] took the position that dissemination of the allegations to the White House, Attorney General and Department of State had placed [REDACTED] on the spot because the NAME data was not a complete story.

BACKGROUND:

[REDACTED] advised that on DATE/53 NAME had informed [REDACTED] that he had evidence pointing toward NAME being a communist and active agent, and that NAME might shortly be exposed by the McCarthy Subcommittee of the Senate as the chief of the third great Soviet ring after NAME and NAME. When interviewed by Bureau 1/7/54 he furnished no information indicating that NAME was engaged in espionage activity and appeared to have an axe to grind insofar as NAME was concerned. He acknowledged everything he had come to him secondhand. Results of interview were furnished [REDACTED] by letter.

On 1/22/54 Attorney General advised the Director that NAME had told him of a conversation he had with NAME. The Attorney General said he told NAME he would have NAME interviewed to get the whole story and asked that we conduct the interview.

On 1/25/54 we wrote the Attorney General about the previous interview with NAME and advised we would have him interviewed again to

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JFK Act 6 (1)(B)

Memorandum for Mr. DeLoach

RE: RELATIONSHIPS WITH [redacted]

secure any additional data he might have. NAME was reinterviewed the same day and results were sent to Attorney General 1/27/54.

Subsequently, on 2/ /54, NAME called the Director from White House about the NAME situation. The Director advised NAME that he had personally talked to NAME for two hours the previous day and had concluded that NAME was obsessed with the charges he was making and while he appeared to be a brilliant and well educated man he did not appear to have specific details.

On the day the Director spoke with NAME, 2/ /54, he referred NAME to Domestic Intelligence Division where a detailed interview was conducted and results incorporated in a -page memorandum, copies of which were furnished Attorney General, Governor Adams, [redacted] and State Department.

We interviewed NAME at the specific instructions of the Attorney General based upon a White House request and dissemination of interview results to Attorney General and White House was not only proper but required under the circumstances. [redacted] and State Department received results since allegations concerned officials and operations of those agencies. NAME furnished names of persons who he said could support his allegations and we interviewed them and disseminated results. NAME of [redacted] that when the NAME information was first received at that Agency some officials gained the impression FBI was deliberately collecting and disseminating data solely for the purpose of "hurting" NAME said results of interviews and investigation conducted by Bureau had clearly demonstrated to [redacted] that FBI was living by its well-known tradition and reputation of developing facts and reporting information in an impartial manner. He said on the previous day all officials, including [redacted] commented the Bureau was following the NAME case in conformity with its well established reputation of getting all the facts. In view of this, there is no basis for believing that at this time [redacted]

JFK Act 6 (1)(B)

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that [redacted] will make an issue of this matter.

(SECRET)

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : Mr. W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: JFK Act 6 (1)(B)

BUREAU HANDLING OF CIA REQUESTS FOR TOURS FOR FOREIGN OFFICIALS

Item six in material submitted to the Director by Sam Papich in his memorandum 3/5/70 mentions occasions in the 1950's when complained that officials visiting the United States under sponsorship were disappointed because they had no contact with Bureau officials. felt contact with Bureau officials had significant benefits, left lasting favorable impressions because of the FBI's world-wide reputation, and when foreign visitors had no contact with Bureau officials they were left with suspicions there was friction between the FBI and . In 1956, we had a clear-cut policy to the effect that tours for such visitors would be of a restrictive nature and they would be afforded the same treatment as the public and nothing more.

Memorandum 5/31/56 from *NAME* to *NAME*, captioned "Visit at Bureau by Foreign Police and Intelligence Officials," *FILE NUMBER* recommended for Director's approval that Liaison would (1) inform CIA tours afforded to foreign police officials and security officials would continue to be of a restricted nature and the visitors will only view facilities normally seen by the public, and (2) that such foreign officials would not be interviewed unless it appeared to the Bureau's advantage. In regard to 1, the Director noted, "I thoroughly agree. I am not too keen anyway about such tours. We were 'burned' in the *NAME* matter." The Director noted in regard to 2, "I see no need of interviews."

NAME was an official of *FOREIGN* security service who was closely associated with and who was alleged to have defected to the *FOREIGNERS*.

In his memorandum, Papich emphasized that for the past several years there was no basis for complaints with regard to Bureau treatment of foreign officials coming to U.S.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

SECRET

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : Mr. W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONSHIPS WITH CIA

[REDACTED]

Item #7 in the material submitted to the Director by SA Sam Papich in his memorandum of March 5, 1970, discusses

[REDACTED] SA Papich notes that in 1956 the Dutch Internal Security Service (BVD) wanted to have certain individuals in the U. S. interviewed and approached

[REDACTED]

JFK Act 6 (1)(B)

position was based on failure of the Dutch to deal honestly with us in the case of *NAME* who was involved in collecting intelligence information at the National Security Agency for a Dutch official.

BACKGROUND OF THE SITUATION:

This question first arose when a Dutch official approached our representatives at the NATO Special Committee conference in Paris in May, 1956, and requested Bureau assistance in interviewing *NAME* in the U. S. and to have a Dutch representative present during the interview. *NAME* is the widow of *NAME* *NAME*, who operated an espionage network in Europe prior to his defection in *YEAR*. The Dutch representative said CIA had interviewed her, but the results were unsatisfactory. He was told to submit his request through diplomatic channels.

[REDACTED]

JFK Act 6 (1)(B)

NAME and two others in the U. S., but not to participate in the interview. In accordance with instructions, SA Papich told [REDACTED] to have the Dutch submit their request through diplomatic channels and to include all information in writing, and that the Bureau would not deal personally with a Dutch representative. By memorandum of June 15, 1956, it was reported that *NAME* of [REDACTED] told SA Papich he was of the very strong opinion that the Bureau's position made good sense, but other [REDACTED] officials felt the Dutch should be helped in every possible way.

CONTINUED - OVER

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Memorandum Mr. W.C. Sullivan to Mr. C.D. DeLoach
RE: RELATIONSHIPS WITH CIA

DISPOSAL OF PROBLEM:

On June 19, 1956, then NAME AND POSITION and SA Papich met with NAME AND POSITION, and NAME of CIA. NAME asked if the Bureau would talk to a representative of the Dutch if he came over and, in lieu of that, would the Bureau accept from CIA information and leads furnished by the Dutch..

NAME pointed out the Bureau's position was very simple in that the Dutch had been caught short in the NAME case when their representatives had been obtaining highly classified information from a friendly government and, before the FBI even requested to interview the Dutch representatives involved, the NAME notified State Department that if Dutch representatives were to be interviewed, it should be done by State Department and not by the FBI. NAME was told that in view of this, the Bureau notified State Department that any requests for information from the Dutch to be handled by the Bureau must be channeled through the State Department.

NAME said that this was a situation created by the Dutch and the Bureau had no intention of altering its position and we would not talk to a Dutch representative and did not desire to receive any leads in the NAME case through [redacted] NAME advised that CIA respected the Bureau's position

[redacted] He said he understood the Bureau's position, which in essence was that the Dutch had made their bed and could now lie in it.

LIKELIHOOD OF PROBLEM ARISING NOW:

JFK Act 6 (1)(B)

It would appear remote that this problem would arise at this time.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

~~SECRET~~

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONS WITH CIA
NAME

Background: Item number eight in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses relations between Bureau and CIA with NAME, head of private intelligence network (NAME was NAME's aide who had liaison with Bureau).

Problem: Papich states we never informed CIA we were receiving information from NAME [redacted] and that while it is possible NAME [redacted] we do not know.

JFK Act 6 (1)(B)

[redacted] NAME, for example, told us of conference in early 1951 between [redacted] and NAME when it was agreed information might be furnished directly to FBI by NAME [redacted] was advised by NAME of what was given. FILE # [redacted] Moreover, on [redacted] requested Bureau's views regarding validity of information we were receiving from NAME and asked for our views regarding method to be employed in channeling information from NAME to Bureau. Significantly, under procedure then, NAME [redacted] was told that as it appeared NAME [redacted] Bureau was not recommending any method of dissemination and it was up to [redacted] to handle problem.

In the ensuing period, dispute arose between [redacted] and NAME over channeling of information and Bureau made every effort to stay out of dispute. In late 1952, for example, [redacted] inquired if Bureau's views regarding dissemination had changed. He was told they certainly had not and again informed that Bureau's desire was to receive all information of interest no matter how received. (FILE # [redacted] Our position of not becoming involved in NAME [redacted] dispute reiterated on other occasions.

Memorandum W.C. Sullivan to Mr. C.D. DeLoach
RE: RELATIONS WITH CIA

On the other hand, there were instances where we received information from NAME which was of either an administrative or intelligence interest to CIA and we did not inform CIA. These instances covered period both prior and subsequent to the [redacted] JFK Act 6 (1) (B) and NAME which was from 4/51 to 7/54 FILE NUMBER AND REFERENCE. For example, NAME wrote a confidential letter dated 7/30/48 to former NAME AND POSITION which contained information of interest to CIA. This letter contains a penciled notation: "This info. not to be given to CIA. per INITIALS FILE NUMBER. Memorandum 10/11/50 from NAME to NAME contains information from NAME concerning NAME intentions to plant microphones in Finland to cover meetings attended by Russian high staff. It was observed in the memorandum that at that time NAME and NAME had no relations with CIA and that NAME intended operation was under primary responsibility of CIA. No indication this information given to CIA by Bureau

[redacted] JFK Act 6 (1) (B)

and CIA. In the memorandum it is pointed out that NAME will continue to receive raw material from the field and that while he will no longer be in a position to translate, evaluate, publish, etc., NAME desires to forward such material to Bureau as NAME would not trust any other agency. The memorandum also states that NAME has continued the flow to the Bureau of all reports he felt Bureau would be interested in even though NAME received a written order specifically directing him to not give Bureau anything.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/7/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CENTRAL INTELLIGENCE
AGENCY (CIA)
COMMISSION ON THE ORGANIZATION OF THE
EXECUTIVE BRANCH OF THE GOVERNMENT
(HERBERT HOOVER COMMISSION - 1954)

Item number nine in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses the Hoover Commission survey of CIA operations in 1954. According to Papich, there was talk within CIA that the Bureau had furnished the names of subversives within CIA to Senator *NAME* AND IDENTIFYING DATA

NAME headed the Task Force which surveyed CIA operations between 9/54 and 6/55. In 10/54, CIA alleged that the *NAME* was attempting to develop information regarding CIA operations. According to the Washington Star, *DATE* /54, *NAME* said CIA was "one of the worst situations we have as far as communist infiltration is concerned." He said he would give his data relative to this matter to *NAME* Task Force. According to the Washington Star, *DATE* /55, *NAME* said he had given *NAME* information relative to alleged communist infiltration of CIA. As of *DATE* /55, CIA had not received from *NAME* the names of those considered security risks but CIA believed it had done a good job of removing security risks and believed that it was in good shape.

On *DATE* /55, the Task Force requested name checks on security risks named by *NAME*. Memoranda containing the results of those checks were given to the Task Force on *DATE* /55. On *DATE* /55, the Bureau received a letter from *NAME* asking for investigations relative to character, reputation, and loyalty of individuals mentioned as security risks. CIA was aware of the names as we asked it for identifying data concerning them. *NAME* was later advised that the investigations would entail interviews at CIA, review of its programs, inquiries in foreign countries, and the like and he withdrew his request.

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CENTRAL INTELLIGENCE
AGENCY (CIA)

The talk at CIA that the Bureau had furnished
NAME the names of subversives at CIA has not been
recorded in FBI files nor is there any complaint in the
matter recorded. Neither is there recorded any complaint
by CIA to this effect.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts
set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

SECRET

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CENTRAL INTELLIGENCE AGENCY
INTERNAL SECURITY LEADS IN FOREIGN COUNTRIES

Item number 10 in the material submitted to the Director by Special Agent Sam Papich in his memorandum of 3/5/70 discussed our furnishing leads to our Legal Attaches (Legats) without advising Central Intelligence Agency (CIA) or requesting the Agency to handle the lead.

The observations of Special Agent Papich in this matter are broad and general in nature. His presentation is hinged upon the premise advanced by the Agency that "internal security" cannot be separated from "counterintelligence," thereby necessitating our advising CIA of requests to our Legats to have leads covered in foreign countries. The Manual of Instructions, Section 102, page 23, states CIA's responsibilities include collection, collation, evaluation, coordination and dissemination of intelligence information. CIA does not have, among other things, responsibility for "internal security functions."

In the absence of unusual situations, we forward investigative leads pertaining to our cases in countries where we have liaison coverage to the particular Legal Attache concerned. Through his contacts the Legat arranges for the necessary investigation and submits the desired information according to our reporting needs. The Legat coordinates this activity on a local level.

It is more desirable to have our representatives request investigation abroad in order to achieve maximum coverage, and to maintain tight control so we can insure that we fulfill our responsibilities.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/7/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CENTRAL INTELLIGENCE
AGENCY (CIA)
BUREAU OPERATIONS IN CUBA

Item number eleven in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 states that we operated informants in Cuba during the period we had a Legat Office in Havana and did not coordinate our operations with CIA or advise it we had sources there. It was noted that after Castro came on the scene, approval was granted to turn certain informants over to CIA. Papich also refers to a memorandum *NAME* to *NAME*, 2/5/60, regarding the Communist Party of Cuba (CPC) which dealt with the problem of whether a Havana source used in an intercept operation between the Communist Party of Venezuela and the CPC should be turned over to CIA to obtain complete coverage. We, of course, had no coverage of Venezuela. Bureau had not advised other agencies of this source since we did not want Castro to uncover any operational activities which might embarrass the Bureau. The entire operation was later turned over to CIA.

CIA began its operations in Havana in 4/47 and in a letter to the Bureau, 4/28/53, regarding Havana informants, *NAME* noted that CIA was not overly cooperative and that, in fact, it was not developing pertinent information. At that time *NAME* met with the CIA representative in Havana who admitted he was not getting any information concerning the CPC and had no plans for any aggressive action in that field. For this reason it was necessary for us to develop our own coverage. We instructed *NAME* to ascertain from the Havana CIA representative information available to him concerning matters of interest to the Bureau; however, he was to continue through informant sources to obtain needed information regarding security matters which could not be supplied by CIA. Subsequently, our relations with CIA improved to the point of being described as excellent in 1958. We think our overall position to be sound.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

(SECRET)

TO : Mr. C.D. DeLoach

DATE: March 6, 1970

FROM : W.C. Sullivan

UFG Act 6 (1)(B)

SUBJECT: RELATIONSHIPS WITH CIA
BUREAU OPERATIONS IN BRAZIL - DATE

Item #12 in the material submitted to the Director by SA Sam Papich in his memorandum dated March 5, 1970, discusses situation in [REDACTED] in DATE concerning strained relations which had developed between former Legal Attache (Legat) NAME and former U.S. Ambassador

NAME According to Papich the Ambassador alleged that Legat had engaged in uncoordinated intelligence activity and that CIA was unhappy with Legat's activities and had told the Ambassador that Legat had disseminated information from a source who was either a fabricator or a provocator.

NAME was assigned as Legat in Rio on DATE and was transferred PLACE AND DATE after Bureau concluded that he lacked sufficient administrative experience to function as Legat. In early DATE he began to receive information from NAME, an employee of UNIT, Federal District Police. NAME furnished derogatory information concerning one NAME of the Brazilian Army who was a possible Brazilian presidential candidate in DATE, indicating that NAME had questionable contacts with FOREIGN Embassy in Brazil. This information was disseminated to CIA attributed to a source who had not been contacted sufficiently to determine his reliability. CIA advised Bureau that the information concerning NAME caused considerable consternation within CIA which had been unable to evaluate reliability of the information. CIA suggested possibility that the information had been fabricated or was part of a communist deception operation. CIA requested that we identify our source but we declined to do so because source did not want his identity disclosed.

By letter dated DATE, the new Legat, [REDACTED] recommended that NAME be discontinued as a potential source based on his admissions to Legat that he had no sources in FOREIGN Embassy and could not provide identities of his sources or additional details concerning information he had reported. Legat concluded that

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Memorandum to Mr. D. J. Brennan, Jr.
RE: RELATIONSHIPS WITH CIA
BUREAU OPERATIONS IN BRAZIL - 1959

information *NAME* had furnished was of such a nature that it could have come from public sources, the political police or could have been invented and attributed to his alleged contacts. Legat also concluded that *NAME* could not have been a provocator used by *FOREIGN* to pass deceptive information. Contacts with *NAME* were discontinued in *DATE*.

In our dissemination of information from *NAME* to CIA we were careful to state that our contacts with the source were insufficient to establish his reliability. Although subsequent events established that it was likely that CIA was correct in speculating that the information was fabricated, there was no indication that the source was a *FOREIGN CONTROLLED* provocator.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONSHIPS WITH CIA
BORDER COVERAGE

Item number (13) in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses a problem presented by the Phoenix Office in June, 1957, concerning the Bureau's handling of informants on the [redacted] border. These informants were operated inside [redacted]. The problem was predicated on situations which might arise as the result of CIA endeavoring to develop informants who were already being handled by the Bureau.

SENSITIVE METHODS AND TECHNIQUES

PROBLEM:

By airtel 6/8/57, Phoenix advised that the CIA representative had endeavored to develop 3 Bureau sources in Mexico and stated that it was discontinuing these sources unless advised to the contrary by the Bureau.

SOLUTION:

This situation was analyzed in Bureau memorandum dated 6/14/57 wherein it was recommended that safeguards be established to continue operating already established [redacted]

JFK Act 6 (1)(B)

JFK Act 6 (1)(B)

however, the information we

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA
BORDER COVERAGE

received from these sources was to be broken down and paraphrased in reports in such manner as to conceal as far as possible the fact that these individuals were assisting us. The Director approved these safeguards which were successfully placed into effect by Phoenix.

A review of our files since June 14, 1957, fails to reveal that this problem has been raised subsequently by

JFK Act 6 (1)(B)

Furthermore, the participation of the Phoenix Office in CODENAME was discontinued with the Director's approval by letter dated 12/10/69..

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

SECRET

Memorandum

TO : Mr. C. D. DeLoach

DATE: 2/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
CODENAME

Item number 14 in material submitted to Director by SA Sam Papich in his memorandum 2/5/70 discusses CODENAME case. CODENAME is code name for case on our double agent, NAME who was recruited by Soviets while on TYPE OF trip to PLACE in YEAR. Until discontinued in YEAR, he delivered extensive material, cleared by APPROPRIATE BODY to the Soviets in PLACE and PLACE.

Mr. Papich's memorandum states case was being highlighted since we cannot exclude possibility Central Intelligence Agency (CIA) has evidence to demonstrate we were operational in PLACE and did not co-ordinate with CIA. The fact is CIA did know NAME was meeting the Soviets in PLACE and Mr. Papich's memorandum does not disclose CIA raised any objection to date. We recognized at the time there could be a jurisdictional problem. We permitted CIA to interview NAME in DATE, shortly after his recruitment at which time CIA learned from him he had a scheduled espionage meeting in PLACE AND DATE, CIA agreed handling of NAME was solely within jurisdiction of Bureau. On DATE, CIA was orally informed NAME would meet Soviets in PLACE AND DATE that we desired CIA to take no action which would interfere with our operation and that results would be furnished CIA (approved by memorandum NAME to NAME. Memorandum NAME to NAME recommended we not advise CIA of a later meeting between NAME and Soviets scheduled for PLACE AND DATE in interest of security. This was approved and this policy was followed thereafter.

All information from NAME was disseminated to CIA and it disclosed our source was meeting Soviets at various points in PLACE. In DATE CIA was advised it could in future contact NAME for data he acquired in his world-wide travels providing it did not use him in operational capacity; NAME was instructed not to disclose to CIA information on his

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SECRET

Memorandum to Mr. C. D. DeLoach .
RE: RELATIONSHIPS WITH CIA

relationship with Bureau. It is a fact, however, we did permit *NAME*, under our supervision, to meet Soviet principals outside the United States without clearing with CIA. We discontinued him as an informant in *DATE*

RECOMMENDED ACTION:

None. - We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CENTRAL
INTELLIGENCE AGENCY (CIA)
CIA REQUEST FOR BUREAU LECTURE
ON COMMUNISM IN THE U. S.

Item Number 15 in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses the Director's refusal of a 1958 CIA request for *NAME* to lecture on communism before a CIA group. Papich stated that CIA accepted this as an affront and a blatant refusal to cooperate on a most important subject of interest to both agencies.

The files disclose that by letter 9/25/58 signed by *NAME*, CIA requested *NAME* to address a selected group of CIA personnel on the communist movement in the U. S. CIA suggested dates of 12/9, 10, or 11/58. The Director by routing slip attached to *NAME* letter commented, "It seems strange that CIA should seek this when its JFK Act 6 (1) (B) considers FBI as a bunch of mere 'flat-feet' and the dangers of communism as something conjured up in the minds of the FBI. But then again I note request doesn't come from the Director nor even the Deputy Director of CIA."

Memorandum *NAME* to *NAME* dated 10/1/58 made reference to CIA's request and the Director's comments. It recommended that the best interests of the Bureau would be served by giving this lecture, not because of the information which could be conveyed to CIA on communism in the U. S., but because it would give *NAME* an opportunity to raise a number of questions himself of the group concerning CIA's own activities in the field of communism. It was pointed out that it could be considered a bit of a challenge to see how much the FBI could learn about the operation of CIA during the course of the lecture and discussion rather than the converse. *NAME* recommended that the request be declined and the Director concurred commenting, "We cannot make *NAME* available to this outfit."

(SECRET)

Memorandum to Mr. C. D. DeLoach

RE: RELATIONSHIPS WITH CENTRAL INTELLIGENCE AGENCY (CIA)
CIA REQUEST FOR BUREAU LECTURE ON COMMUNISM IN THE U. S.

Pursuant to the Director's decision, a letter was directed to CIA under date of 10/7/58 advising that it was not possible to grant CIA's request for this lecture because of *NAME* other commitments.

Nothing could be located in Bureau files to indicate CIA's reaction to this letter.

ACTION RECOMMENDED:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.



UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
NAME

Item Number 16 in the material submitted to the Director by Special Agent (SA) Sam Papich in his memorandum 3/5/70 discusses the case of *NAME* that CIA might criticize our not identifying our source.

BACKGROUND OF CASE *NAME* was the CIA employee assigned to the PLACE AND DATE. He became involved with a *FOREIGN* girl, and the *FOREIGN INTELLIGENCE SERVICE* approached him for recruitment, using the affair with the girl and compromising photographs as leverage to carry out the approach. *NAME* reported the approach to his superiors and was returned to U. S. and ultimately removed from CIA.

PROBLEM WITH CIA We first learned of this case on 7/9/56 from *NAME AND POSITION*, who furnished the information in confidence and who indicated *NAME* might have been involved in espionage. On 7/16/56 *NAME AND POSITION*, CIA, advised SA Papich that CIA was considering requesting in writing that the Bureau identify our source. On 7/17/56 SA Papich was advised by *NAME*, CIA, that Allen Dulles had instructed that the request not be made.

DISPOSAL OF PROBLEM WITH CIA . This problem never officially arose in view of the instructions of Mr. Dulles. Bureau files contain no indication as to whether or not CIA documented this.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

SECRET

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY
NAME

Item Number 17 in the material submitted to the Director by SA Sam Papich in his memorandum of 3/5/70 discusses the possible belief of Central Intelligence Agency (CIA) that the Legal Attache, *PLACE*, had leaked sensitive information concerning *NAME*. SA Papich noted that perhaps CIA might question whether FBI had pursued investigation in the case vigorously enough. Memorandum is to review circumstances under which information was furnished by CIA to FBI, Legal Attache inquiries of CIA, *PLACE*, and the effect of CIA restrictions on FBI investigations in this case.

In February, 1963, CIA made available information from
NAME AND IDENTIFYING DATA

to the effect that the FOREIGN Government was planning to engage in clandestine collection of scientific and technical information in the United States. CIA insisted information not be made available to other government agencies and no investigation be conducted which might jeopardize its source. CIA then made available extensive information from *SENSITIVE SOURCE*. Analysis of the *SOURCE MATERIAL* revealed several discrepancies which would have made interview by FBI of *NAME* desirable. CIA refused this request. We made numerous requests to obtain clarifying data to explain items mentioned in *SOURCE MATERIAL* and CIA failed to respond.

In March, 1963, CIA furnished information concerning *NAME* interest in American personnel and installations in *PLACE*. This information was made available to Legal Attache, *PLACE*. On 4/11/63 CIA advised that its CIA station *PLACE*, which had not heretofore been apprised of *NAME* case had made inquiry concerning the case. Our inquiry of Legal Attache, *PLACE*, disclosed that

OBSERVATIONS - OVER

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SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

inquiry of CIA personnel in *PLACE* had been made concerning one of the individuals previously identified as *FOREIGN* agent and also requests had been made for certain biographical data concerning other individuals. Legal Attache noted that CIA personnel in *PLACE* had indicated they were previously aware of the *NAME* case and were impressed with the extreme sensitivity of the case. We furnished this information to CIA headquarters and on 5/7/63 CIA referred to the incident and stated that it was a matter of serious concern to it, requesting that any future dissemination outside Bureau or to the Legal Attache be coordinated in advance with that Agency. This practice was closely followed. The Director observed in January, 1964, that he thought the whole thing had been imaginary on the part of CIA which had been played as a sucker by *NAME*. The Director added that no more time should be wasted on it, at least until CIA restrictions were removed. We continued to attempt to get the restrictions removed without success and covered outstanding leads.

In September, 1964, an analysis of the case disclosed that although thirty-eight separate investigations were opened only three *FOREIGN* agents were uncovered. Original allegations of *FOREIGN* intent to mount an espionage mission in the United States could not be substantiated. This information, coupled with the fact that CIA refused to make *NAME* available to us for the purpose of resolving discrepancies, prompted a decision transmitted by us to CIA on 9/30/64 that we were closing our investigation in this case.

Mr. Papich commented in his memorandum of 3/5/70 CIA never has been satisfied with the efforts made by the Bureau in this case. Our review indicates our efforts in the matter were as full and complete as possible under circumstances where CIA refused to grant us access to the source, did not respond to request for clarifying data and declined to remove restrictions making it impossible to take necessary investigative steps. Should any question be raised in the future, we are in a position to document our difficulties experienced with CIA.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

SECRET

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
LEAKS TO THE "NATIONAL REVIEW" - 1959

BACKGROUND:

Item number 18 in the material submitted to the Director, by Special Agent Sam Papich in his memorandum 3/5/70 cites a Central Intelligence Agency (CIA) investigation of leaks to the "National Review" which identified *NAME*, former CIA employee, as the leak and referred to former Assistant to the Director *NAME* as among his contacts.

PROBLEM:

Papich implies that CIA may have further information regarding *NAME* involvement.

ANALYSIS:

This situation was set forth in memorandum *NAME* to *NAME*, 4/21/59. We do not know if CIA has additional information as to the suggested relationship between *NAME* and *NAME*. We do know that they have not made an issue of this matter to date.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

SECRET

Memorandum

TO : Mr. C.D. DeLoach

DATE: March 6, 1970

FROM : W.C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA - TRAVEL OF
BUREAU INFORMANTS TO CUBA

Item Number 19 in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses the possible travel of one of our Mexican border informants to Cuba and whether our not advising CIA of this made us potentially vulnerable to charges we were operating outside the U.S. without coordinating with CIA.

BACKGROUND:

This involved our plans to send CODE -
NAME informant to a guerrilla training camp in Cuba. The trip never materialized.

In October, 1965, we were vitally interested in determining the location and extent of Cuban guerrilla training sites being used to prepare Latin American subversives to carry out revolutions in their home countries. NAME, a Mexican national residing in PLACE, Mexico, which is within the area covered by CODE NAME, had infiltrated FOREIGN and FOREIGN intelligence operations in Mexico City and had made himself attractive to Mexican communist leaders who were planning to pay expenses of sending guerrilla trainees to Cuba.

CIA CONSIDERATIONS:

NAME was an integral part of CODE -
NAME which is handled on a need-to-know basis. We had previously obtained material from CIA showing its primary targets inside Cuba which allowed us to fully brief the informant as to overall U.S. Government objectives and a procedure was established for use in disseminating data to CIA if the trip materialized which would fully protect our informant and not jeopardize CODE NAME.

OUTCOME:

During period informant was striving to arrange the trip to Cuba his wife IDENTIFYING
DATA This strained family relationship caused us to order NAME to have informant cancel efforts to make the trip to Cuba and thus no trip was ever made.

SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA - TRAVEL OF
BUREAU INFORMANTS TO CUBA

ADDITIONAL CONSIDERATIONS:

After NAME had moved to PLACE, Mexico, which is outside CODENAME, in MONTH, 1966, we advised CIA of his past cooperation with us and interposed no objection to his use by CIA in areas outside our jurisdiction. On /22/66 CIA stated it would consult us should it initiate contacts with the informant. There is no indication that CIA did use the informant and on /24/68 we discontinued NAME as he was of no further value to us. The trip never materialized.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

SECRET

UNITED STATES GOVERNMENT

Memorandum

(Secret)

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIP WITH CENTRAL
INTELLIGENCE AGENCY (CIA)
DISSEMINATION OF CIA INFORMATION
IN A BUREAU MONOGRAPH

Item 20 submitted to the Director by Sam Papich in his memorandum 3/5/70 mentions the dissemination of a Bureau monograph dated 5/5/65 and entitled "Communism in the Dominican Republic." Special Agent (SA) Papich stated that due to the urgency of the document Bureau did not obtain CIA clearance to include CIA information in the monograph which was disseminated to interested agencies, including CIA. According to SA Papich, CIA never made any protest although it considered our action a violation of the "third agency rule."

Although the monograph referred to by SA Papich did contain CIA data, it also set forth highly significant data obtained by Bureau through our own informants. The CIA data was biographical in nature and was used in the monograph to characterize the past, including communist contacts, of key figures in the Dominican Republic. It was taken from the 1963 CIA Biographical Handbook and CIA telegrams dating back to 1961, all of which were previously disseminated to the U. S. intelligence community by CIA. No attempt was made in the monograph to characterize CIA data as Bureau information and, in fact, this information was attributed to "another Government agency," in accordance with established procedures.

The so-called "third agency rule" provides that classified information originating in a department or agency will not be disseminated outside the receiving agency without the permission of the originating agency. However, an exception to this rule provides that the receiving agency may disseminate such data to other members of the U. S. Intelligence Board (USIB), of which Bureau is a member, unless the originating agency uses appropriate control markings limiting its data to the use of the receiving agency only. The CIA data used in the Bureau monograph had no such control markings and our monograph was disseminated to the President, the Attorney General and USIB members only.

SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIP WITH CENTRAL
INTELLIGENCE AGENCY (CIA)

The Bureau's monograph was a compendium of our own data, CIA data, and that received from other members of the intelligence community. It was prepared under emergency conditions for the President and had a significant bearing on the understanding and handling by the intelligence community of a serious crisis which confronted this country.

RECOMMENDED ACTION:

' None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C.D. DeLoach

DATE: March 6, 1970

FROM : W.C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA - BUREAU INFORMANTS
IN PLACE

Item Number 21 in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses Bureau operation of informants in PLACE and comments on our potential vulnerability for not having informed CIA at the inception of the operation of these informants.

SA Papich has cited two situations. The first concerns _____ NAME _____, an attorney residing in PLACE. Our Legat, PLACE, in the Fall of 1966, identified NAME as a potential source of intelligence information of importance to U.S. security; conducted appropriate background inquiry regarding him and determined his excellent potential and willingness to furnish intelligence information to U.S. Government. By memorandum 11/23/66 it was approved that we contact CIA headquarters through liaison channels to inform CIA that we planned to maintain contact with NAME; that CIA would be furnished the information obtained and that we would service CIA requests provided they could be handled with complete security. SA Papich so informed NAME of CIA on 11/25/66. NAME - CIA stated he saw no reason why FBI could not proceed as we desired and that CIA headquarters would so inform its representatives in PLACE and PLACE, instructing them to give FBI all necessary support in this operation. Since that date we have operated NAME as a valuable and productive unpaid confidential source. Since this matter was coordinated with CIA at the outset, there appears to be no problem.

The second situation cited by SA Papich concerned Legat, PLACE, informant NAME. This individual has cooperated with the Bureau for some 25 years. As a PLACE police official in 1945-47, he was most helpful to our representative assigned in PLACE. We had no contact with him thereafter until 1954 when he IDENTIFYING DATA. For 11 years thereafter, NAME was operated by our Legat, PLACE.

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SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA - BUREAU INFORMANTS
IN PLACE

In April, 1965, NAME returned to PLACE and by memorandum 6/7/65 it was approved that contacts with him be continued in PLACE by our NAME Agent. He proved to be an extremely valuable informant on criminal matters as well as those of interest to U.S. security in PLACE.

Upon NAME's designation as a highly placed police official in PLACE in 1967, we promptly advised CIA headquarters through liaison channels of informant's identity. We advised CIA that we had utilized NAME for handling criminal leads and that he periodically volunteered information concerning political developments in PLACE. At that time, 10/6/67, it was agreed that Bureau would continue control of informant and that after each contact with informant by our road trip Agent, the latter would confer with NAME Head of CIA operations in PLACE (who was present at CIA headquarters at the meeting) concerning political information furnished by the informant. We were assured of complete CIA cooperation in this matter. On the occasion of our road trip Agent's next contact with NAME in PLACE, however, NAME-CIA bitterly accused our Agent of having lied to him and of having operated a source in PLACE without CIA's knowledge. He stated that responsibility for the development of security information outside the U. S. is solely CIA's. It is noted that NAME has been a difficult person with whom to deal and has been inclined to "pop off." Matter has been closely followed by Legat, PLACE, and there have been no further indications of difficulty with him. CIA, PLACE, has afforded us complete cooperation in our handling of NAME as we were assured it would in the 10/6/67 meeting. Accordingly, no issue was made of this matter with CIA.

NAME continues as a very valuable paid informant of our Legat, PLACE. CIA has made favorable comments regarding the excellent quality of the information obtained by NAME. This arrangement has worked smoothly for two and one-half years and there appears to be little likelihood of CIA raising an issue regarding this matter.

RECOMMENDED ACTION:

None. We do not believe, in light of the fact set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
ITEM (22) CODENAME

Item (22),
by Special Agent Sam Papich in his memorandum 3/5/70
mentions

CURRENT SENSITIVE OPERATION

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CONTINUED - OVER

[SECRET]

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA
ITEM (22) CODENAME

CURRENT SENSITIVE OPERATION

(Continued from page 1)

ACTION RECOMMENDED:

None.

[SECRET]

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
HARASSMENT OF CIA

JFK Act 6 (1)(B)

Item #23 in the material submitted to the Director by SA Sam Papich in his memorandum of March 5, 1970, discusses a letter dated November 15, 1967, from CIA which requested that the Bureau check telephone toll calls from the home of one NAME who was allegedly harassing CIA NAME. NAME was supposedly seeking information concerning CIA's covert operations. SA Papich states that we told CIA that we would not check the toll calls on the basis that the information received was not sufficient to justify investigation within the Bureau's jurisdiction. SA Papich also states that "CIA accepted our response but there is no doubt that the Agency characterized our position as a concrete example of refusal to help a sister agency with a problem relating to the security of U.S. intelligence operations."

A review of Bureau files disclosed that a memorandum, NAME, to NAME dated November 17, 1967, was prepared. This memorandum encompassed the above facts and recommended that CIA Liaison Agent advise CIA that we would not check the toll calls as requested. This memorandum and recommendation was prepared by SA Papich. The Director noted "OK H."

In addition to the above, on December 9, 1967, NAME contacted our Miami Office and stated that he was writing a book about CIA and offered to make the material available to the Miami Office. Our Miami Office was advised that this information was of interest to CIA headquarters and instructions were furnished that if NAME did furnish Miami with the information, it would be given to CIA. Brown did not follow through with his offer.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIP WITH THE CENTRAL
INTELLIGENCE AGENCY (CIA)
SENSITIVE DOCUMENT

Item number 24 in the material submitted to the Director by SA Sam Papich in his memorandum dated 3/5/70 discusses the restriction of dissemination of the SENSITIVE DOCUMENT to Central Intelligence Agency (CIA). Prior to 10/67, some of the Government agencies on the distribution list for CODEWORD received multiple copies. The Director of CIA was then receiving 19 copies of CODEWORD as a result of requests from CIA on 3/30/62 and 10/23/62 for additional copies to expedite reading by key CIA officials and to facilitate rapid utilization of the information within CIA.

The Director made a notation on the 10/4/67 CODEWORD "Please look over list of distribution. I have marked with a dot those I question as to why they should receive copies and I do not think more than 1 copy should be sent anyone. Let me have your views. H." By memorandum NAME to NAME 10/6/67, it was stated that although security of the classified document CODEWORD had been maintained, if the Director so desired, we would tell recipients that they would receive only one copy each in the future. NAME noted on this memorandum, "Yes. NAME also noted, "We could never run down a leak." The Director noted, "Send only 1 copy & if any inquiry, then indicate we have had to cut costs. H."

Since 10/67 the Director's instructions have been followed and only one copy of CODEWORD has been furnished to those, including CIA, on the CODEWORD distribution list.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth that CIA will make an issue of this matter.

SECRET

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: March 7, 1970

FROM : W. C. Sullivan

JFK Act 6 (1)(B)

SUBJECT: RELATIONSHIPS WITH CIA
ESTABLISHMENT OF BUREAU LIAISON

[REDACTED]
SERVICE (BVD) - 1960

Item number 25 in the material submitted to the Director by SA Sam Papich in his memorandum of 3/5/70, discusses a trip to [REDACTED] by Legal Attache (Legat), PLACE in 1960 to explore arrangements for liaison with appropriate [REDACTED] authorities. It is given as an instance CIA could cite as an FBI failure to coordinate with them in line with National Security Council Directives.

NAME reportedly raised questions, indicating FBI should first reach agreement with CIA, which he said had previously handled all relations with Dutch authorities. Papich says [REDACTED] later expressed disappointment that we did not contact CIA beforehand but that an agreement satisfactory to all concerned was eventually worked out. Papich also says that in late 1959 we gave consideration to establishing a Legat in Denmark but did not inform CIA of our intentions.

In contemplation of the stationing of a Legat in [REDACTED] of 12/7/59 instructed Legat, PLACE, to broaden liaison contacts in Scandinavian countries and told LEGAT, PLACE to make exploratory contacts with appropriate authorities in [REDACTED] for the same purpose. Since we had told State by letter of 3/10/55 that we would handle requests for investigations and name checks for the [REDACTED] only when received through formal State channels, we advised State of our intention to make exploratory contacts with the [REDACTED] regarding regular liaison arrangements, and State approved. State sent a letter to the U. S. Embassy in [REDACTED] on 12/17/59, advising of the Bureau's intention, but it apparently did not get to NAME prior to Legat's trip to [REDACTED]

On 1/4/60 Legat, PLACE, called the BVD from PLACE and arranged to call on them on 1/7/60. The BVD reported the call to CIA who told STATE DEPARTMENT

NAME. On 1/7/60 the Director received a letter of 1/5/60 from NAME in which he said he was disturbed about the manner in which he had learned of the Legat's proposed visit. While

[REDACTED]
JFK Act 6 (1)(B)

permanent Bureau liaison with BVD was planned.

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA
ESTABLISHMENT OF BUREAU LIAISON

JFK Act 6 (1)(B)

[REDACTED]

On 1/7/60, Legat met with *NAME* prior to visiting BVD. He explained that he was to explore the possibility of direct contact with BVD concerning exchange of information bearing on U.S. internal security matters. He said he would not be operational and that the contemplated liaison could not reasonably cause interference with the existing CIA arrangement. While *NAME* expressed misgivings that the Dutch might be confused, no request was made to refrain from contacting BVD. The CIA representative said he had requested his headquarters for comment on learning of the proposed visit of Legat but had not received a reply. Legat later briefed *NAME* on the results of his visit to BVD, who were friendly but deferred a final commitment, referring to the existing "American arrangement."

By letter of 1/13/60 the Director thanked *NAME* for his offer to assist, and said Bureau interests in Scandinavian countries and Holland were under discussion with [REDACTED]. *NAME* was also assured our proposed contacts with the [REDACTED] were purely liaison in nature; that while we would keep CIA advised of items of interest to it in connection with its responsibilities abroad, it was not believed necessary to go beyond the U.S. Intelligence Board Directive of 12/8/59 in coordinating with CIA matters taken up with [REDACTED]. That Directive says CIA shall be responsible for coordination of all U.S. liaison which concerns clandestine intelligence activities or which involve foreign clandestine services. Paragraph 10, however, says the Directive does not apply to any liaison relationship concerned with U.S. internal security functions, or with criminal or disciplinary matters which are not directly related to foreign espionage or clandestine counterintelligence.

On 1/13/60 Papich explained to Allen Dulles and *NAME* the reasons for our contacts in Scandinavian countries and Holland exploring possible establishment of a Legat in Denmark. When Papich challenged them to cite any Bureau failure to comply with the Directive for coordination of U.S. liaison activities abroad, *NAME* immediately stated there were no such instances. In answer to specific invitation by Papich to air any complaints or problems, [REDACTED] stated that neither he nor his representatives had any complaints; that he was personally unhappy about not being contacted in the beginning; but that he and CIA would give all possible assistance. [REDACTED] did assist by writing a personal letter to *NAME* which resulted in a joint FBI-BVD-CIA meeting on 4/8/60, at which direct FBI-BVD liaison was agreed upon).

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA
ESTABLISHMENT OF BUREAU LIAISON

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JFK Act 6 (1)(B)

On memorandum *NAME* to *NAME* of 1/14/60, concerning the 1/13/60 meeting of Papich, [redacted] and *NAME* Director noted: "1. Well handled by Papich. 2. All of the turmoil developing in this situation could have been avoided if we had properly contacted [redacted] and also followed through with State. H."

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

JFK Act 6 (1)(B)

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3-6-70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH THE CENTRAL INTELLIGENCE AGENCY (CIA)
BUREAU DISSEMINATION OF COUNTERINTELLIGENCE INFORMATION
TO FOREIGN SERVICE - DATE

Item No. 26 in the material submitted to the Director by SA Sam Papich in his memorandum 3-5-70 states that CIA by letter DATE raised questions concerning the propriety of our dissemination of information through our Legal Attache to the FOREIGN Intelligence Service. This concerned certain SENSITIVE METHODS which was obtained from our sensitive FOREIGN defector in place, Bureau code name NAME CIA letter DATE stated that a representative of FOREIGN Intelligence Service informed CIA it received aforementioned information from our Legal Attache. CIA claimed such dissemination abroad should have been coordinated with CIA because of Director of Central Intelligence Directive (DCID) 5/2 which indicates that CIA shall be responsible for all U.S. liaison concerning clandestine intelligence activities abroad or involving foreign clandestine services. CIA claimed that pursuant above we were obligated to coordinate with CIA prior to dissemination

Memorandum NAME to NAME under NAME caption reviewed this situation and indicates that on 7-13 and 8-1 DATE, NAME provided information concerning several types of SENSITIVE METHODS. Dissemination of above was made to State Department. CIA and military intelligence agencies by letter on DATE. Information was also furnished to Legal Attaches, London, Bern, Bonn, Paris, Rome and Madrid, with instructions to disseminate only to contacts in foreign intelligence agencies known to be reliable and cooperative and with

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SECRET

Memorandum to Mr. C. D. DeLoach

the instructions that it be given limited distribution and handled in a manner so it would not be apparent it emanated from the Bureau or a source within the U.S. Above memorandum points out that DCID 5/2 has been controversial since its inception (12-8-59) and the subject of differences of interpretation. We recognized CIA's coordination responsibilities but, in this instance, were of the opinion there was no operational angle and no necessity for coordinating dissemination of above since we had previously given the information to CIA. This memorandum recommended approval of a letter to CIA answering CIA's inquiry according to above. Director indicated "O.K." and "It looks like CIA is throwing its weight around." On DATE we directed a letter to CIA accordingly. As indicated in memorandum of SA Papich, CIA "surrendered" and did not further contest this issue.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CENTRAL INTELLIGENCE AGENCY (CIA)
TITLE BOOK AUTHORED BY
NAME

Item 27 of the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 indicates that NAME had visited the Bureau in 1963 to gather material for a book regarding U. S. intelligence agencies. It was suggested that CIA be advised of this, and the Director noted, "I see no reason for doing so."

NAME memorandum to NAME 8/28/63, reports this visit and notes that NAME had asked for data concerning the Bureau's internal security procedures and had asked concerning other FBI operations, making no reference to CIA, with one exception. He did inquire as to whether there was friction between the two agencies and was told that we cooperated closely and maintained daily liaison with CIA. It was on this memorandum that the Director said he saw no reason for informing CIA concerning the visit of NAME.

We later learned that their book, TITLE was furnished in the form of advance proofs to CIA prior to its publication. We also received such proofs from CIA through Liaison.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

SECRET

Memorandum

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
COMMUNIST ACTIVITIES - AFRICA

Item number 28 in memorandum of 3/5/70 from SA Sam Papich to the Director, captioned "Cases and/or Situations Involving Conflict With CIA," states that in April, 1960, CIA inquired if the Bureau would give any consideration to assisting that agency toward developing coverage in Africa by providing a Negro informant or placing a Negro in the Communist Party, USA for the purpose of eventually using him in Africa. His memorandum added that we told that agency the FBI had no informants available because they were necessary for our own operations. He claims we took the position since we saw no benefit to be gained by loaning an informant on a short or long term basis. He states that CIA could argue that as early as 1960 it had foresight to recognize the need for additional coverage and when it appealed to the Bureau for assistance, we did not cooperate. He refers to his memorandum dated 4/7/60 concerning this matter captioned "Communist Activities in Africa."

The memorandum referred to discloses that on 4/5/60 *NAME AND POSITION* CIA, stated that communist organizations were rapidly increasing in strength on the continent of Africa and that his agency found it most difficult to establish effective penetration. *NAME* noted that in this connection it was almost impossible for a white man to move about Africa and establish a relationship which would enable him to develop worthwhile sources. He asked if the Bureau would consider furnishing one of its Negro informants or developing an informant in the Communist Party, USA for eventual use by CIA in Africa. Papich told *NAME* that if the Bureau had a good Negro informant, we certainly were not interested in having his future jeopardized nor did we want to lose his production. Papich added that it undoubtedly would be most difficult to take a Bureau informant, have him travel to Africa under some cover and still be able to satisfactorily explain such activities to his communist colleagues without becoming a target of suspicion. *NAME* said he recognized all this but asked if the Bureau would give consideration.

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA

Addendum to Papich's memorandum dated 4/8/60 by the Internal Security Section pointed out that all of our informants were necessary for our own operations, particularly in the communist field, and it recommended and was approved that CIA be orally informed that it is not possible to provide an informant on a loan basis to be used in Africa.

Regrettably, the Bureau was not in a position to assist CIA. CIA's problem was an administrative one within that Agency.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
U.S. INTELLIGENCE OPERATIONS - PLACE

Item #29 in the material submitted to the Director by SA Sam Papich in memorandum of 3/5/70, states that by Bureau letter dated 10/23/64 we provided the White House information received by our Legat from U.S. Ambassador PLACE wherein the latter was critical of intelligence operations, particularly the overstaffing of personnel. SA Papich comments that we do not know if CIA became knowledgeable regarding this letter but could construe same as relating to its operations.

Our Legat, PLACE, in a letter to the Director dated 10/19/64, set forth the results of a conversation with Ambassador NAME AND PLACE IDENTIFYING DATA

THE AMBASSADOR remarked that the results _____ were appalling, there being 23,000 military personnel in SIX COUNTRIES engaged in intelligence operations and numerous CIA personnel. He described the lack of coordination between the military and CIA as "scandalous." He stated the Offices of the Military Attaches were grossly overstaffed and he was recommending drastic cuts and that duplicate administrative services be combined with those of the embassies. He made no mention of specific intelligence operations nor did he elaborate on the lack of coordination. SOURCE commented that on his return to the U.S., he intended to see the President personally to bring this matter forcefully to his attention.

SOURCE's comments were incorporated in a letter to NAME, Special Assistant to the President, dated DATE /64, in accordance with the Director's noted instructions. Our files disclose no indication that CIA cognizant of Bureau letter.

RECOMMENDED ACTION: None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: March 7, 1970

FROM : W. C. Sullivan

JFK Act 6 (1) (B)

SUBJECT: RELATIONSHIPS WITH CIA
THE PRESIDENT'S FOREIGN INTELLIGENCE
ADVISORY BOARD AND JOHN MC CONE

Item number 30 in the material submitted to the Director by SA Sam Papich in his memorandum of March 5, 1970, discusses a dispute we had with CIA in May, 1963, as a result of a communication the Bureau sent to the President's Foreign Intelligence Advisory Board (PFIAB). It was pointed out that in our communication to PFIAB we attributed certain information to [redacted] concerning the matter of increasing wire taps on diplomatic establishments. [redacted] charged that the information attributed to him was not so because he had never made any such statement and he could prove it. The fact was that the information relating to [redacted] had been given us by one of his subordinates who had indicated the information originated with [redacted] maintained that we should have checked with him before going on record that any information had originated with him.

A review of the file in this matter discloses that in April, 1963, NAME along with Papich had discussed with NAME and NAME of CIA [redacted] alleged position with the PFIAB; that he was in favor of across the board telephone taps on diplomatic establishments. The Bureau, of course, was opposed to this and advised NAME that we would request to make our position known before the board. At the conclusion of the meeting in April, 1963, NAME specifically asked what he should tell [redacted] and NAME told him he should tell [redacted] exactly what had occurred at the meeting; that the Bureau was opposed to across the board wire taps and the Bureau intended to so advise PFIAB.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

SECRET

Memorandum

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
ALLEGED PENETRATIONS OF CIA

Item number 31, "alleged penetration of CIA," in the material submitted to the Director by SA Sam Papich in his memorandum of 3/5/70 discusses allegations made by NAME regarding recruitment of four CIA employees by the Soviet Committee for State Security (KGB), that CIA requested full investigation which we declined.

BACKGROUND OF CASE NAME AND IDENTIFYING DATA alleged that the KGB had penetrated CIA through an individual having the code name NAME. In an effort to identify this penetration CIA provided NAME with information regarding many individuals who had worked for CIA in Germany.

NAME identified two individuals at various times as NAME and in each instance investigation "washed out" the identification. NAME finally identified NAME as one NAME a former employee of CIA. During the course of extensive document reviews NAME became acquainted with background of various individuals who had worked in Germany at the time NAME did. NAME identified four present employees of CIA with unknown subjects who had come to his attention while he was active in the KGB.

PROBLEM WITH CIA CIA wanted the Bureau to undertake full-scale investigation of its four employees based solely on NAME's allegations.

DISPOSAL OF PROBLEM WITH CIA By letter of February 26, 1965, CIA was informed there appeared to be no basis at that time for a full-scale investigation of these men by the FBI on the basis of allegations by NAME. With regard to any investigation in the United States concerning two of the men, a conclusion would be made following completion of the investigation of NAME and interviews of NAME. Based upon the investigation of NAME and the interviews of NAME, CIA was informed by letter of July 20, 1965, that nothing had been developed

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SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA
ALLEGED PENETRATIONS OF CIA

which supported NAME speculation that NAME was instrumental in the recruitment by the Soviets of either NAME or NAME and nothing was developed which would support NAME allegations against the other two suspects, NAME and NAME. Furthermore, CIA had furnished no documentary material regarding NAME or NAME which would in any way support NAME. The Bureau added "Accordingly, this Bureau is conducting no investigation of NAME, NAME, NAME or NAME. We will interpose no objection, since they are all employees of your agency, if you wish to pursue NAME allegations concerning them, including interviews of the individuals concerned.

"This Bureau would, of course, be interested in receiving the results of any investigation which would tend to confirm NAME's conclusions that one or more of these employees of your agency had actually been recruited by the Soviets."

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: 3/7/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)

VICE PRESIDENT NIXON'S TRIP TO
SOUTH AMERICA - 1958

Item number 32 in material submitted to the Director by SA Sam J. Papich in his memorandum 3/5/70 mentions Bureau letter 5/16/58 sent to the then Vice President Nixon and containing a summary of CIA information concerning events in Latin America relating to Mr. Nixon's trip there during 5/58.

According to SA Papich, most of the information in above letter came from CIA. He commented that this letter could be interpreted as raising question concerning quality of CIA's coverage in Latin America. Papich noted it is not known if CIA ever became aware of the letter. Papich stated that *NAME AND POSITION*

CIA, was attached to the then Vice President Nixon's staff. SA Papich pointed out that CIA, if aware of above letter, could raise question as to violation of Third Agency Rule.

Results of Review of Bureau Files

The letter to the then Vice President Nixon is located in *FILE NUMBER*. It contains summary of information relating to riots and attacks against Mr. Nixon and his party during their 5/58 Latin American trip. Letter identifies CIA as the

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SECRET

Memorandum W.C. Sullivan to
Mr. C. D. DeLoach
Re: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)

source of the information set forth in our letter. The last paragraph of this letter includes a statement that the impression gained from a review of CIA reports indicates that CIA had some coverage reflecting there were to be troubles concerning Mr. Nixon's Latin American travels. This letter also stated as follows:

"It is significant that information in the individual countries came to CIA's attention shortly before your arrival in a particular country. Therefore, there is a question as to whether or not CIA had coverage in communist organizations which would have led to the development of information concerning communist plans days or weeks ahead of your visit."

There is no indication in this file regarding instructions given to prepare our letter of May 16, 1958. The first paragraph of this letter indicates that the Director had a discussion with Mr. Nixon on May 16, 1958, inasmuch as the first sentence of the above letter reads as follows:

"Apropos of our discussion today, there is set forth information contained in Central Intelligence Agency reports received from them on May 14, 1958."

The data set forth in our May 16, 1958, letter to Mr. Nixon is contained in a memorandum *NAME* to *NAME* dated May 15, 1958, which was prepared for the Director's information. The Director noted on this memorandum, "Send summary to A. G. H." In accordance with instructions, a letter was sent to the then Attorney General under date of May 16, 1958, and this letter contained a summary of CIA information in the same manner as had been sent to Mr. Nixon on May 16, 1958. Our letter to the Attorney General, however, did not contain any observations regarding CIA coverage in Latin American countries visited by Mr. Nixon and his party.

Our file in this matter *FILE NUMBER* indicates that on June 9, 1958, *NAME* in the office of the then Vice President Nixon contacted the Bureau at the request

SECRET

Memorandum W. C. Sullivan to
Mr. C. D. DeLoach
Re: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)

of Mr. Nixon to determine if the contents of a letter from the Director to Mr. Nixon dated May 16, 1958, regarding Mr. Nixon's trip to South America could be leaked to the press. *NAME* request was set forth in memorandum *NAME* to *NAME* June 9, 1958, with the recommendation that *NAME* be advised that if the information were to be given to the press, it would undoubtedly create a serious problem as the FBI would then have violated CIA's confidence since CIA was aware that SA Papich had reviewed CIA's classified reports and, therefore, this information should not be given to the press. Both *NAME* and the Director agreed with the recommendation, and *NAME* was advised of our decision. It is noted that *NAME* is identical with the individual who is now *POSITION*.

Comments on Re: *ks* in SA Papich Memo 3/5/70

1. That most of the information in our letter to Mr. Nixon dated May 16, 1958, came from CIA and that this letter could be interpreted as raising the question concerning the quality of CIA's coverage in Latin America.

There is no dispute as to the source of the information which was summarized in our letter to Mr. Nixon, and we clearly indicated in our letter that the source was CIA. With regard to any question being raised as to the quality of CIA's coverage in Latin America, we merely pointed out to Mr. Nixon something that was readily discernible to any reader of the CIA reports - - that is, that the information from CIA popped up rather suddenly as related to the country and Mr. Nixon's arrival. Certainly Mr. Nixon himself, since he was personally involved in demonstrations directed against him during his Latin American trip, must have been aware that advance information from our responsible intelligence agency (CIA) may have been lacking.

2. We are not aware if CIA became knowledgeable of our letter to Mr. Nixon dated May 16, 1958. Under ordinary conditions, we are not aware nor do we seek to identify any CIA

(SECRET)

Memorandum W. C. Sullivan to
Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)

personnel who might be assigned to the White House staff. As indicated above, *NAME* who was a member of Mr. Nixon's staff in *YEAR* and who is now *POSITION* was aware of our 5/16/58 letter and its contents. We have no information that CIA ever registered any type of protest, in this matter.

3. That CIA technically could raise a question as to violation of the Third Agency Rule as regards our 5/16/58 letter to Mr. Nixon.

The Third Agency Rule is intended to prohibit a Government agency from disseminating information originating with another Government agency in the absence of specific authority to do so, and we follow this rule unless there are overriding reasons. With regard to our letter to Mr. Nixon dated 5/16/58, we set forth information clearly identified as having originated with CIA. This letter was apparently prepared at the specific request of then Vice President Nixon after conferring with the Director.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA

Item number 33 in the material submitted to the Director by Special Agent (SA) Sam J. Papich in his memorandum 3/5/70 discusses *NAME* an individual who was operated as a criminal informant by the Bureau who furnished valuable information and who has been a key witness in the prosecution of cases being handled by the Bureau. Mr. Papich states that the Bureau acquired access to *NAME* through the CIA and that although the CIA has never officially made any statements to the Bureau, it has been bitterly disappointed that the Bureau never acknowledged CIA's assistance which the agency considered extremely valuable.

Memorandum dated 2/20/63 from *NAME* to *NAME* captioned *NAME* set out that *NAME* of CIA advised SA Papich that CIA had briefed the Attorney General concerning a source whom *NAME* had used since World War II and who subsequently has developed a close association with a lawyer who does considerable work for *NAME*. *NAME* source was confident that the lawyer could be developed as a penetration which could "sink" *NAME* and all of his cohorts. The Attorney General agreed with the CIA representatives that the matter should be referred to the Bureau for handling.

NAME set up the first contact with the individual who had the contact with the attorney and at that time *NAME* stated that he did not want to get involved in any investigative aspects and wanted to step out of the matter as soon as possible. As a result, eventual contact was made with *NAME* who developed into a very productive source. *NAME* has been publicly identified as both a source of the FBI and CIA as a result of his testimony.

CONTINUED - OVER

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SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA

The Bureau's success in handling *NAME* can be attributed to the know-how of the SAs of the New York Office because *NAME* is a highly emotional individual and he had aggravated marital problems, severe pressures from his many business associates; therefore, it took a high degree of skill in dealing with this source in order to achieve the success that we did.

While it is acknowledged that CIA put us originally in touch with this source, it was not believed that it is essential that we go back to CIA and explain to them our success or to thank them for giving us this original lead. It is also noted that there is an obligation upon Government agencies to cooperate in the fullest and CIA's cooperation in this matter was in accordance with the long standing policy among all Government agencies.

Review of *NAME* file does not reflect any instance where CIA indicated a displeasure in the Bureau not acknowledging CIA's assistance in placing us in touch with *NAME*. This is in line with *NAME* statement in 1963 that he did not want to get involved in any investigative aspects of this matter and wanted to step out as soon as possible. In view of the above, it is not believed that CIA would have any basis to complain that the Bureau never acknowledged CIA's assistance.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

SECRET

TO : Mr. C. D. DeLoach

DATE: March 7, 1970

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
EXCHANGE OF TECHNICAL INFORMATION

Item number 34 in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 concerns exchange of technical information with CIA, particularly as it related to the technical surveillance field. Papich states CIA exhibited its equipment to us, but for many years we declined to show any of our devices, with some exceptions. He states that CIA never made an official protest but informally indicated from time to time that the lack of exchange was prejudicial to overall intelligence and internal security interests and implied we were more open with the British in this area than with CIA. Papich states this situation does not exist today as there is a good exchange by the Bureau and CIA.

Our files reveal that through the years CIA has furnished the Bureau a number of technical devices for our use or inspection. They have also furnished technical manuals obtained abroad and briefed us on operational and technical aspects of some of their operations abroad. Laboratory personnel have been afforded tours and briefings concerning CIA facilities and equipment and in two instances Bureau personnel have been afforded training at CIA schools. As recently as October, 1969, CIA afforded a briefing to Bureau personnel concerning *SENSITIVE METHOD*, developed by their technical people and offered to loan us one of these units as well as afford our personnel training in the operation of the equipment.

COMMENTS OF THE LABORATORY

Similarly, Bureau records show substantial reciprocity on the part of the FBI in developing and furnishing important technical information to CIA over a period of many years. Representative examples are cited below:

Prior to *YEAR* an important unsolved technical intelligence problem involved desired access to enemy intelligence and other security information

CONTINUED - OVER

SECRET

Memorandum for Mr. DeLoach
RE: RELATIONSHIPS WITH CIA
EXCHANGE OF TECHNICAL INFORMATION

protected by *SENSITIVE - IDENTIFYING DATA*
Scientists in the FBI Laboratory were able to solve this problem by

SENSITIVE METHOD

This was a scientific breakthrough of tremendous intelligence potential and, with Bureau approval, our results and techniques were made known to the appropriate CIA representatives. CIA advised that they had theretofore spent thousands of dollars in an intensive, but unsuccessful effort to solve the same problem. The impact of this scientific discovery in permitting access to previously unavailable intelligence had tremendous value for both the FBI and CIA.

In approximately the late *YEAR* and early *YEAR* both CIA and FBI encountered a new, highly sophisticated type

SENSITIVE METHOD

In spite of a massive technical effort mounted by CIA, scientists of the FBI Laboratory were successful in first unraveling the basic principles and techniques underlying this new *SENSITIVE* system. This important breakthrough thus permitted for the first time a successful attack against the new

SENSITIVE METHOD

Because of its extreme intelligence potential, with prior Bureau approval this development was made known to CIA, and its importance to CIA is reflected in part by a letter addressed to the Director of FBI by Allen W. Dulles, then Director of CIA, under date of August 19, 1961, in which Dulles said, in part, "For the past several years there has been increasingly effective technical liaison between the Technical Services Division of this Agency and corresponding components of your Bureau. . ." Dulles further commented that Bureau technical personnel had " . . . made an outstanding technical contribution for which they are to be highly commended. Their work not only has an important impact in one sensitive area, but also has revealed a

SENSITIVE METHOD

The discovery will have an

(SECRET)

Memorandum for Mr. DeLoach

RE: RELATIONSHIPS WITH CIA
EXCHANGE OF TECHNICAL INFORMATION

important influence on the discharge of responsibilities assigned both to this Agency and the FBI. I consider access to these findings to be further evidence of the value of close technical liaison between our two organizations. . ."

Subsequently, again with prior Bureau approval, whenever it could be done without jeopardizing FBI operational interests, the FBI on a continuing basis made available to CIA

SENSITIVE METHOD

A recent example involved the espionage case of *NAME* wherein on 2/12/69 a *SENSITIVE METHOD* used by was furnished to CIA by a representative of the FBI Laboratory.

The above items are representative outstanding examples of FBI cooperation in developing and sharing highly important technical information, and certainly the letter from CIA reflects the satisfaction and importance which CIA attached to such information received from the Bureau. Within general Bureau policy guidelines, there were, of course, on a continuing basis numerous other items of technical information shared with CIA over the years, including briefings and exchange of visits.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

Memorandum

~~SECRET~~

TO : Mr. C. D. DeLoach

DATE: March 6, 1970

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CENTRAL INTELLIGENCE AGENCY (CIA)
CIA LECTURERS AT BUREAU TRAINING SCHOOLS
EXCHANGE IN THE TRAINING FIELD

Items number 35 and 36 in the material submitted to the Director by SA Sam Papich in his memorandum March 5, 1970, indicated CIA has never understood why Bureau will not permit CIA personnel to lecture at our schools and CIA was unhappy regarding our attitude concerning exchange of information in the training field.

CIA by letter May 19, 1950, requested it be permitted to discuss training problems with FBI training staff in view of necessity of its maintaining relations with foreign police and security agencies. Following recommendations by the Executives Conference, Bureau advised CIA by letter May 25, 1950, that we did not believe FBI training staff could intelligently discuss training methods with CIA since our staff was not knowledgeable concerning conditions encountered by CIA in various foreign countries.

*SENSITIVE METHOD
IDENTIFYING DATA*

In 1966, the Director approved a request of CIA to have on of its men attend the National Academy for purpose "to improve capabilities of CIA personnel engaged in overseas police training programs." As a result, a CIA Security Officer graduated from the # *SESSION* of the FBI National Academy

At the specific request of CIA, Bureau representatives have addressed CIA intelligence personnel attending refresher-type training courses on 31 occasions between June, 1962, and December, 1969.

CONTINUED - OVER

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Memorandum to Mr. C. D. DeLoach

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We loaned CIA four Bureau training films in February, 1966, one was eventually returned, but CIA continues to utilize the other three films entitled "On The Record," "Interviews," and "Burglary Investigations." We continue to use foreign language films from CIA which were loaned to us as a supplement to the Bureau's Language Training Program.

Representatives of CIA have not lectured at Bureau training schools and there is no indication in Bureau files that this has been advocated by CIA.

This memorandum has been coordinated with the Training Division.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

UNITED STATES GOVERNMENT

~~SECRET~~

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/6/70

FROM : Mr. W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY
(POSITIVE INTELLIGENCE)

Item Number 37 in the material submitted to the Director by Special Agent Sam Papich in his memorandum 3/5/70 discusses CIA criticism which could generate from Agency belief that Bureau has failed to cooperate and offer necessary assistance in collection of positive intelligence in the United States. Memorandum is to deal with specific cases believed by Papich to evidence lack of cooperation and to briefly comment on policy of cooperation we have adopted with CIA.

SYNOPSIS:

Mentioned Item by Papich points out CIA belief that more aggressive action should have been taken in field of collecting positive intelligence in the United States. Papich notes Bureau's action in this field, for the most part, has been restricted to compliance with requests by State Department when political crises occur in some country. He points out CIA belief that acquiring needed data would mean increased technical surveillance coverage, development of informants and collection of cryptographic material. Papich cites two specific cases occurring in 1969 where Bureau declined CIA's request for technical coverage, suggesting to Agency that it make its request directly to the Attorney General. Review of specific cases mentioned set forth with Director's comments relative thereto being noted. Our policy of cooperation with CIA most recently delineated to field by SAC Letter 66-10 (B) - copy attached. SAC letter calls for guarding our jurisdiction but shows our willingness to cooperate with CIA.

OBSERVATIONS AND ACTION - OVER

~~SECRET~~

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

CIA has repeatedly raised the issue in the past of our coverage in the positive intelligence collection area and we can reasonably expect similar issues to be raised in the future.

RECOMMENDED ACTION:

That we prepare a carefully worded letter to CIA outlining policy and the basic elements of intelligence and counterintelligence work affecting the United States and forthrightly ask CIA if it is satisfied with the status quo and if not what do they have to suggest as changes.

SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

DETAILS:

Papich points out CIA feels there is unexplored field for acquiring positive intelligence in the United States but he notes that there has been no law, directive, or executive order which fixes responsibility for clandestine collection of such information. He notes we investigate subversives, spies, and develop penetrations of foreign intelligence services and that facets of these investigations of violations of United States laws serve to fulfill a counterintelligence objective referred to by us as investigations of internal security matters. Papich notes, however, that most of our work in the positive intelligence field has been restricted to the compliance with requests by State Department prompted usually by a political crisis occurring in some foreign country.

Papich points out CIA feels there is unexplored field for acquiring positive intelligence requiring use of vastly increased technical surveillances, informant development and collection of cryptographic material. According to Papich, CIA does not feel Bureau has moved aggressively in this area and CIA has been thwarted in attempts to do much about the problem. Papich cites two cases *NAME* and *NAME* where CIA requests for technical surveillance were declined by us with the suggestion to CIA that these matters should be taken up by that Agency directly with the Attorney General.

Specific Cases

CIA advised that *NAME AND POSITION* had been under development by *FOREIGN* intelligence service partly as a result of his weakness for women when assigned *PLACE* from *YEAR* to *YEAR*. *NAME* was to participate, in bilateral talks with United States officials in *DATE* by letter *DATE* CIA requested telephone and microphone surveillances on *NAME*. The Director commented "Let CIA seek the authority of the AG. I don't want them utilizing FBI as their channel."

NAME was originally investigated by us in *YEAR* as a possible unregistered agent of *FOREIGN* Government due to negotiations by him with *FOREIGN*; designed to set up a semiprivate nuclear processing company in *FOREIGN COUNTRY*.

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Memorandum to Mr D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

Our investigation showed close contact by *NAME* with *FOREIGN* officials, *NAME* and details of activity by that subject to create the firm mentioned. *NAME* headed a *PLACE* firm involved in Atomic Energy Commission (AEC) work requiring "Top Secret" clearance by AEC. Our initial investigation was closed when Assistant Attorney General - Internal Security Division found that facts did not justify soliciting *NAME*'s registration as a foreign agent.

In Spring of *YEAR* sixty-one kilograms of nuclear material were found to be unaccounted for by the firm headed by *NAME* but subsequent inventories and checking by AEC revealed this shortage was probably the result of cumulative process of wasteful production methods over a period of eight years and did not justify an unqualified determination of a diversion of nuclear material on the part of *NAME* to unauthorized persons or government.

CIA, in *YEAR* became alarmed on receipt of information of loss of mentioned nuclear material and despite AEC findings felt it may indicate illegal diversion or at least justification for reopening investigation. *NAME*, CIA contacted the Attorney General directly with his thoughts regarding the need for additional investigation. Attorney General contacted Bureau requesting it discuss matter with CIA and determine advisability of additional investigation. The Director, in approving conference with CIA, noted "OK but I doubt advisability of getting into this. It looks like *NAME* is going around us to AG as he suspects we would say no."

An intensive investigation of *NAME* conducted during late *YEAR* and into Fall of *YEAR* revealed no positive intelligence activity on his part or verifiable diversion of AEC material to *FOREIGN*. Our investigation included technical surveillances installed *DATE* and discontinued, *DATE*. *NAME* was interviewed by AEC *DATE* and disclaimed passing any classified data to *FOREIGN*. Facts of case were reviewed by Department of Justice which found no evidence of prosecutable violation by *NAME*. AEC felt the additional investigation produced no data upon which could be based a legitimate withdrawal of clearance for AEC contracts or information. In view of this, we closed our investigation and CIA was so advised. A *DATE* letter from *NAME* acknowledged additional investigation

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

would produce no legal evidence pertinent to the issue which prompted CIA's original request but noted he felt reinstated audio surveillances of *NAME* would produce positive intelligence information. He therefore requested reinstatement of this coverage. The Director's letter to *NAME* noted that after careful review it was felt that CIA should take this matter to the Attorney General.

On October 21, 1969, a CIA official was told by Special Agent Papich that in the future CIA should transmit its requests for technical surveillance coverage in the United States to the Attorney General. This specifically covered the cases of *NAME* and *NAME*. The Director commented "Right."

Bureau Policy of Cooperation

In 1965 and 1966, recognizing overlapping interests, changes inherent in faster communication, hysteria to facilitate international travel and in response to requests from CIA, the Director approved Bureau attendance at conferences with CIA regarding that Agency's operational activities in the United States. On a memorandum reporting the results of the conferences with CIA, the Director commented "I hope we still don't let our guard down as CIA has always outsmarted us because of our gullibility."

SAC Letter 66-10 (B) dated 2/15/66 furnished to the field and Bureau officials results of the conferences with CIA and emphasized necessity for protecting Bureau jurisdiction in the counterintelligence field. This SAC letter (copy attached) emphasized there is to be no interference with or infringement upon our jurisdiction but clearly shows our willingness to cooperate with CIA in developing positive intelligence in the United States. In approving this SAC letter, the Director noted "I hope there is no 'sneaker' in this. Time will tell."

There has been no renewed request from CIA for technical coverage in the cases mentioned above, nor has there been any indication that such requests have been sent by CIA to the Attorney General as we suggested. Due to CIA interest in the past in these matters, we cannot rule out the possibility the Agency may approach Attorney General for the desired coverage at some time in the future.

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(B) CENTRAL INTELLIGENCE AGENCY - OPERATIONS IN THE UNITED STATES -- The Bureau recently completed discussions with the Central Intelligence Agency (CIA) regarding that agency's operational activities in the United States. These discussions essentially dealt with CIA's assessment and recruitment of foreign intelligence sources in the United States. Enclosed for your use is a list of the ground rules which both agencies have accepted as guidelines for effecting the necessary coordination. In order that you may be adequately oriented in this matter, the following background is set forth. The need for the ground rules is related to CIA's interest in developing positive intelligence sources in the United States and the necessity for protecting the Bureau's jurisdiction in the counterintelligence field. The latter is essential to the adequate discharge of our responsibilities to national security.

Positive intelligence may be described as a comprehensive product resulting from collection, evaluation, collation, analysis, and interpretation of all available information relating to national security and concerning other countries where such information is significant to our Government's development and execution of plans, policies, and courses of action. Such intelligence can be divided into various categories, such as economic, military, scientific, political, geographic, et cetera. The collection of positive intelligence is distinguished from counterintelligence which is primarily designed to penetrate, monitor, neutralize and/or disrupt the foreign intelligence and security services. Counterintelligence further includes other functions of an internal security nature directed against subversive groups, organizations, and individuals. By law CIA does not have any law enforcement or internal security functions. CIA's authorization for collecting positive intelligence is predicated on the National Security Act of 1947 and subsequent issuance of National Security Council Directives. There is no law, directive, or charter which authorizes CIA to engage in the clandestine development of positive intelligence sources in the United States. Therefore, in the absence of any statutory prerogative to conduct such activity in the United States, it has been mutually agreed by FBI and CIA that the Agency can only engage in the clandestine development and handling of positive intelligence sources in this country by coordinating with the Bureau. The Bureau in turn legally has the primary counterintelligence responsibility in the U. S. and is continually developing positive intelligence. It, however, must be regarded an incidental product to our main objective. The Bureau does not have a primary responsibility to collect positive intelligence, but we do have numerous and very significant obligations in this field. In actual practice the Bureau is required by the President and other agencies to develop information.

2-15-66

SAC LETTER 66-10

- 2 -

SECRET

of a positive intelligence nature. This requires Bureau action designed to bring about the necessary coverage. A good example is our involvement in the development of information relating to the crisis in the Dominican Republic. From the above you will recognize that there can be "gray areas" of interest to the Bureau and CIA. It, therefore, has been necessary to effect adequate coordinating machinery.

The potential for the development of positive intelligence in this country is vast and varied. Voluminous positive intelligence is collected overtly through the review of foreign and domestic publications, interviews of travelers, arriving aliens, contacts with scientists, et cetera. In this area there have been no serious issues between the Bureau and CIA.

However, in the field of clandestine development of positive intelligence both agencies have an interest, and there is a necessity for a clear-cut understanding of jurisdiction and coordination. Particularly is this true in the development of positive intelligence sources who are employees or officials of foreign governments stationed in the United States or who are visiting this country on a temporary basis.

For many years the Bureau has had a continuing program of developing sources in diplomatic installations for the purpose of discharging our counterintelligence responsibilities and incidentally for developing positive intelligence information which might assist the Government in formulating policy. The Bureau, recognizing CIA's need for sources in the positive intelligence field, has permitted CIA to assess and recruit sources in the United States in a limited manner with the understanding that such activities are fully coordinated with the Bureau.

[redacted] and certain Bureau field offices were alerted and furnished the necessary guidance and instructions. The recent discussions with CIA resulted in a refinement of the understanding of the ground rules established in January, 1964.

JFK Act 6 (1)(B)

The enclosed ground rules will be applied by the Bureau and CIA as cases arise. The Bureau position in each matter will be decided at the Seat of Government. As a general rule, Bureau Headquarters will be informed by CIA regarding its interest in an individual or a target. Prior to notification of CIA regarding our position, the situation will be carefully reviewed at the Seat of Government. This may often include a request to the field for

2-15-66

SAC LETTER 66-10

- 3 -

~~SECRET~~

observations and recommendations before notice is transmitted to CIA. At the same time, it is possible that you may be contacted in the field by a representative of DOD, CIA. If so, you should be guided by the enclosed ground rules in any discussions, bearing in mind that the approval for any particular operational activity is to be made at Bureau Headquarters.

You should hold to the concept that the protection of the internal security of the United States involves very basic clear-cut responsibilities of the FBI. This should be kept in mind in each case and in any contacts which you may have with CIA representatives. There is to be no interference with or infringement upon our jurisdiction. It is recognized that unforeseen developments may create situations not adequately covered by the ground rules. You, therefore, should report such matters to the Bureau setting forth complete details with your recommendations. Although we have been informed by CIA that the Bureau's jurisdiction and operational interests will not be interfered with, we cannot discount the results of past experiences stemming from CIA's operational and organizational deficiencies. We have no reason to believe that there will be a revolutionary change of these conditions. It is, therefore, incumbent upon you to be extremely alert for any breakdown of the adherence to the ground rules. I emphasize that this is an area of activity which must be closely monitored by each Special Agent in Charge. You should be certain that your personnel is adequately oriented so that the Bureau can have the full benefit of any constructive suggestions pertaining to this entire matter.

Very truly yours,

John Edgar Hoover

Director

Enclosure for (B)

2-15-66
SAC LETTER 66-10

- 4 -



SECRET

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

WASHINGTON, D.C. 20535

February 7, 1966

CENTRAL INTELLIGENCE AGENCY
OPERATIONS IN THE UNITED STATES

(1) CIA will not initiate an investigation of any foreign official in the United States without the concurrence and coordination of the FBI. In this context, the term "investigation" means systematic and direct inquiries or procedures (such as physical or technical surveillances or neighborhood inquiries) aiming at developing information concerning an individual's activities or background; "investigation" does not include the acceptance or the development of information through social contacts or contacts normally made by CIA agents in discharging their cover functions.

(2) CIA will seek concurrence and coordination of the FBI before approaching for recruitment any foreign official or communist-bloc visitor in the United States. The FBI will concur and coordinate if the proposed action does not conflict with any operation, current or planned, including active investigation of the FBI.

(3) CIA will advise the FBI prior to any planned meeting between a CIA asset and a foreign official or communist-bloc visitor of known or presumed interest to the FBI (this would include all communist-bloc officials and visitors) for purposes of assessment and social development.

(4) Clandestine CIA staff operatives, [redacted] and foreign agents of CIA recruited abroad who come to the United States will be identified to the FBI by name or appropriate description depending on the national security interest involved.

(5) Pursuant to paragraph 4 above, when a CIA agent arrives in the United States for a visit or for an

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JFK Act 6 (1)(B)

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

Central Intelligence Agency
Operations in the United States

assignment, the Bureau will be advised and the two agencies will confer regarding the handling of the agent in the United States. It is recognized that each case will have its individual peculiarities. The governing principle will be positive intelligence interest as weighed against internal security factors. CIA will continue its contractual relationship for the purpose of handling the training, the procurement of positive foreign intelligence, the fulfillment of CIA commitments to the agent, and the preparation of the agent for his next assignment abroad.

(6) In those cases where CIA will be handling its agent in the United States, CIA will service FBI security or counterintelligence requirements and will provide the FBI all agent information bearing on counterintelligence or internal security matters, including the scope and nature of the agent's access to information and the identities of the agent's significant contacts, particularly in the communist-bloc field. In such cases where CIA servicing has been inadequate to FBI internal security interests, the FBI will have direct access to the agent.

(SECRET)

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

DATE: 3/7/70

FROM : W. C. Sullivan

SUBJECT: RELATIONSHIPS WITH CIA
MISCELLANEOUS ITEMS

Item Number 38 in the material submitted to the Director by SA Sam Papich in his memorandum of 3/5/70 serves as a sort of summary in which SA Papich indicates that he cannot recall the names of other cases which resulted in CIA displeasure or criticism, but does cite one instance "early in the 1950's" in which we disseminated data from a source of unknown reliability charging Allen Dulles as having been a communist and a spy while in Europe.

By letter 3/22/52, we informed State and CIA that a source of unknown reliability had alleged that IDENTIFYING DATA had been arrested in Hungary in 1947 or 1948 and forced to write a letter to his wife which brought her to Hungary where she was also arrested. We asked for an evaluation of the information. NAME memorandum, 4/5/52, states he received a call from Allen Dulles during which Dulles referred to the letter and said he was not concerned about it but wanted NAME to look it over. We were subsequently informed by CIA that Allen Dulles IDENTIFYING DATA ON OTHER INDIVIDUAL had said that the information concerning Dulles and his wife was without foundation and we promptly told State of this by letter 4/15/52, a copy of which was directed to Allen Dulles. NAME memorandum 5/10/52 written by SA Papich reports his discussion with Dulles concerning this matter. Mr. Dulles asked if the original letter could be withdrawn and was told that it appeared that the FBI had already set the records straight but that if he wished to make an official request, Papich would refer the matter to the Bureau for consideration. Dulles immediately replied that he definitely did not want to make "a big thing" of the letter, that it was not that important, and that maybe it would be better to drop the matter. General Smith (then Director of Central Intelligence) later told Papich that he considered the matter closed.

SA Papich also alludes to other instances in which CIA alleged that we had mishandled its information. He has no specifics, however, and states he cannot recall the cases.

ACTION - Page 2

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CIA

SECRET

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

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UNITED STATES GOVERNMENT

Memorandum

- Tolson _____
- DeLoach _____
- Walters _____
- Mohr _____
- Bishop _____
- Casper _____
- Callahan _____
- Conrad _____
- Felt _____
- Gale _____
- Rosen _____
- Sullivan _____
- Tavel _____
- Soyars _____
- Tele. Room _____
- Holmes _____
- Gandy _____

- 1 - Mr. C. D. DeLoach
- 1 - Mr. W. C. Sullivan
- 1 - Liaison
- DATE: March 6, 1970
- 1 - Mr. A. W. Gray
- 1 - Mr. S. F. Phillips

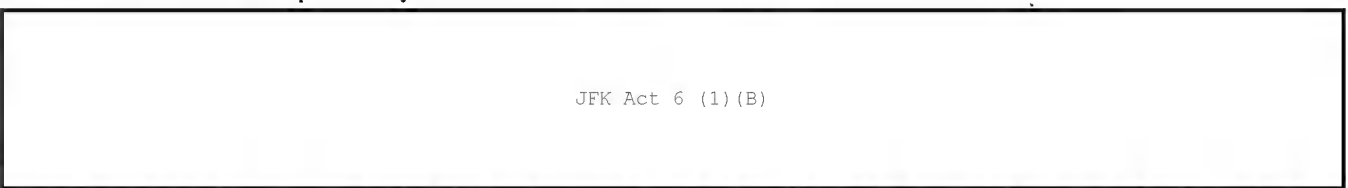
TO : Mr. C. D. DeLoach

FROM : W. C. Sullivan

SUBJECT: RELATIONS WITH CIA NOTE: Excisions are specific identities of two
2 NAMES individuals who were sensitive CIA sources of
 foreign intelligence.

Background: Item number eight in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses relations between Bureau and CIA with NAME 1 head of private intelligence network (NAME 2 was NAME 1's aide who had liaison with Bureau).

Problem: Papich states we never informed CIA we were receiving information from NAME 1 which was also of interest to CIA; and that while it is possible NAME 1 had given same data to CIA, we do not know.



JFK Act 6 (1)(B)

conference in early 1951 between CIA officials and NAME 1 when it was agreed information might be furnished directly to FBI by NAME 1; provided CIA was advised by NAME 1 of what was given. (62-77306-23) Moreover, on 5/7/52 a CIA official requested Bureau's views regarding validity of information we were receiving from NAME 1 and asked for our views regarding method to be employed in channeling information from NAME 1 to Bureau. Significantly, under procedure then, NAME 1 directed communications to CIA with copies to Bureau. CIA was told that as it appeared NAME 1 was an appendage of CIA, Bureau was not recommending any method of dissemination and it was up to CIA to handle problem. (62-77306-25)

In the ensuing period, dispute arose between CIA and NAME 1 over channeling of information and Bureau made every effort to stay out of dispute. In late 1952, for example, Helms inquired if Bureau's views regarding dissemination had changed. He was told they certainly had not and again informed that Bureau's desire was to receive all information of interest no matter how received. (62-77306-27) Our position of not becoming involved in NAME 1 -CIA dispute reiterated on other occasions. (62-77306-36, 69, 81; 65-58725-56)

SFP:lis
 (6) *lis*

CONTINUED - OVER

Memorandum W.C. Sullivan to Mr. C.D. DeLoach

RE: RELATIONS WITH CIA

NAMES 1 & 2

On the other hand, there were instances where we received information from *NAME 1* which was of either an administrative or intelligence interest to CIA and we did not inform CIA. These instances covered period both prior and subsequent to the contractual relationship between CIA and *NAME 1* which was from 4/51 to 7/54 (62-77306, unrecorded memo 11/29/55, Belmont to Boardman re *NAME 1*). For example, *NAME 1* wrote a confidential letter dated 7/30/48 to former Assistant to the Director D. M. Ladd which contained information of interest to CIA. This letter contains a penciled notation: "This info. not to be given to CIA. per DML--OHB" (62-77306-7). Memorandum 10/11/50 from A. H. Belmont to Mr. Ladd contains information from O'Brien concerning *NAME 1*'s intentions to plant microphones in Finland to cover meetings attended by Russian high staff. It was observed in the memorandum that at that time *NAME 2* and *NAME 1* had no relations with CIA and that *NAME 1*'s intended operation was under primary responsibility of CIA. No indication this information given to CIA by Bureau (65-58725-10).

NAME 2 furnished Bureau a memorandum dated 6/29/54 entitled "Termination Memorandum to FBI" which informed of the termination of contract between *NAME 1* and CIA. In the memorandum it is pointed out that *NAME 1* will continue to receive raw material from the field and that while he will no longer be in a position to translate, evaluate, publish, etc., *NAME 1* desires to forward such material to Bureau as *NAME 1* would not trust any other agency. The memorandum also states that *NAME 1* has continued the flow to the Bureau of all reports he felt Bureau would be interested in even though *NAME 1* received a written order specifically directing him to not give Bureau anything. (62-77306-70).

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

S *P* *gd* *WES* *k*

- 2 -

SECRET

SECRET

UNITED STATES GOVERNMENT

Memorandum

- 1 - Mr. DeLoach
- 1 - Mr. Sullivan

- Tolson _____
- DeLoach _____
- Walters _____
- Mohr _____
- Bishop _____
- Casper _____
- Callahan _____
- Conrad _____
- Felt _____
- Gale _____
- Rosen _____
- Sullivan _____
- Tavel _____
- Soyars _____
- Tele. Room _____
- Holmes _____
- Gandy _____

TO : Mr. C. D. DeLoach

DATE: 3/7/70

FROM : W. C. Sullivan

- 1 - Liaison
- 1 - Mr. Dix

SUBJECT: RELATIONSHIPS WITH CENTRAL INTELLIGENCE
AGENCY (CIA)
COMMISSION ON THE ORGANIZATION OF THE
EXECUTIVE BRANCH OF THE GOVERNMENT
(HERBERT HOOVER COMMISSION - 1954)

Item number nine in the material submitted to the Director by SA Sam Papich in his memorandum 3/5/70 discusses the Hoover Commission survey of CIA operations in 1954. According to Papich, there was talk within CIA that the Bureau had furnished the names of subversives within CIA to Senator McCarthy. Senator Joseph R. McCarthy (R-Wisc) was Chairman of the Senate Investigations Subcommittee.

General Mark Clark headed the Task Force which surveyed CIA operations between 9/54 and 6/55. In 10/54, CIA alleged that the McCarthy Committee was attempting to develop information regarding CIA operations. According to the Washington Star, 10/1/54, McCarthy said CIA was "one of the worst situations we have as far as communist infiltration is concerned." He said he would give his data relative to this matter to Clark's Task Force. According to the Washington Star, 1/15/55, McCarthy said he had given Clark information relative to alleged communist infiltration of CIA. As of 1/17/55, CIA had not received from Clark the names of those considered security risks but CIA believed it had done a good job of removing security risks and believed that it was in good shape.

On 1/21/55, the Task Force requested name checks on security risks named by McCarthy. Memoranda containing the results of those checks were given to the Task Force on 2/8/55. On 5/13/55, the Bureau received a letter from Clark asking for investigations relative to character, reputation, and loyalty of individuals mentioned as security risks. CIA was aware of the names as we asked it for identifying data concerning them. Clark was later advised that the investigations would entail interviews at CIA, review of its programs, inquiries in foreign countries, and the like and he withdrew his request.

WPD:bsf *bsf*
(5)

CONTINUED - OVER

SECRET

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH CENTRAL INTELLIGENCE
AGENCY (CIA)

The talk at CIA that the Bureau had furnished
McCarthy the names of subversives at CIA has not been
recorded in FBI files nor is there any complaint in the
matter recorded. Neither is there recorded any complaint
by CIA to this effect.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts
set forth, that CIA will make an issue of this matter.

Handwritten marks:
A checkmark (✓) above the word "and".
A large handwritten signature "WEL" below the word "and".
A handwritten signature "JAN" to the right of "and".
A handwritten signature "DIP" in the top right corner.
A small handwritten mark resembling a star or asterisk to the right of the "and" line.

SECRET

UNITED STATES GOVERNMENT

Memorandum

Tolson	_____
DeLoach	_____
Walters	_____
Mohr	_____
Bishop	_____
Casper	_____
Callahan	_____
Conrad	_____
Felt	_____
Gale	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Soyars	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

TO : Mr. C. D. DeLoach

DATE: March 7, 1970

FROM : W. C. Sullivan

- 1 - Mr. DeLoach
- 1 - Mr. Sullivan
- 1 - Liaison
- 1 - Mr. Haynes

SUBJECT: RELATIONSHIPS WITH CIA
THE PRESIDENT'S FOREIGN INTELLIGENCE
ADVISORY BOARD AND JOHN MC CONE

FK Act 6 (1)(B)

Item number 30 in the material submitted to the Director by SA Sam Papich in his memorandum of March 5, 1970, discusses a dispute we had with CIA in May, 1963, as a result of a communication the Bureau sent to the President's Foreign Intelligence Advisory Board (PFIAB). It was pointed out that in our communication to PFIAB we attributed certain information [redacted] concerning the matter of increasing wire taps on diplomatic establishments. [redacted] charged that the information attributed to him was not so because he had never made any such statement and he could prove it. The fact was that the information relating to [redacted] had been given us by one of his subordinates who had indicated the information originated with [redacted] maintained that we should have checked with him before going on record that any information had originated with him.

A review of the file in this matter discloses that in April, 1963, Mr. Belmont along with Papich had discussed with Richard Helms and James Angleton of CIA [redacted] alleged position with the PFIAB; that he was in favor of across the board telephone taps on diplomatic establishments. The Bureau, of course, was opposed to this and advised Helms that we would request to make our position known before the board. At the conclusion of the meeting in April, 1963, Helms specifically asked what he should tell [redacted] and Mr. Belmont told him he should tell [redacted] exactly what had occurred at the meeting; that the Bureau was opposed to across the board wire taps and the Bureau intended to so advise PFIAB.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

RHH:wmk/sef
(5)

sef

[Handwritten signatures and initials]

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UNITED STATES GOVERNMENT

Memorandum

- 1 - Mr. C. D. DeLoach
- 1 - Mr. W. C. Sullivan
- 1 - Liaison

DATE: 3/7/70

- 1 - Mr. W. R. Wannall
- 1 - Mr. F. X. O'Brien

- Tolson _____
- DeLoach _____
- Walters _____
- Mohr _____
- Bishop _____
- Casper _____
- Callahan _____
- Conrad _____
- Felt _____
- Gale _____
- Rosen _____
- Sullivan _____
- Tavel _____
- Soyars _____
- Tele. Room _____
- Holmes _____
- Gandy _____

TO : Mr. C. D. DeLoach

FROM : W. C. Sullivan

SUBJECT: ~~RELATIONSHIPS WITH~~
CENTRAL INTELLIGENCE AGENCY (CIA)

VICE PRESIDENT NIXON'S TRIP TO
SOUTH AMERICA - 1958

Item number 32 in material submitted to the Director by SA Sam J. Papich in his memorandum 3/5/70 mentions Bureau letter 5/16/58 sent to the then Vice President Nixon and containing a summary of CIA information concerning events in Latin America relating to Mr. Nixon's trip there during 5/58.

According to SA Papich, most of the information in above letter came from CIA. He commented that this letter could be interpreted as raising question concerning quality of CIA's coverage in Latin America. Papich noted it is not known if CIA ever became aware of the letter. Papich stated that

JFK Act 6 (1)(B)

JFK Act 6 (1)(B)

was attached to the then Vice President Nixon's staff. SA Papich pointed out that CIA, if aware of above letter, could raise question as to violation of Third Agency Rule.

Results of Review of Bureau Files

The letter to the then Vice President Nixon is located in Bureau file 62-88461-117. It contains summary of information relating to riots and attacks against Mr. Nixon and his party during their 5/58 Latin American trip. Letter identifies CIA as the

62-80750

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Memorandum W.C. Sullivan to
Mr. C. D. DeLoach
Re: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)
62-80750

source of the information set forth in our letter. The last paragraph of this letter includes a statement that the impression gained from a review of CIA reports indicates that CIA had some coverage reflecting there were to be troubles concerning Mr. Nixon's Latin American travels. This letter also stated as follows:

"It is significant that information in the individual countries came to CIA's attention shortly before your arrival in a particular country. Therefore, there is a question as to whether or not CIA had coverage in communist organizations which would have led to the development of information concerning communist plans days or weeks ahead of your visit."

There is no indication in this file regarding instructions given to prepare our letter of May 16, 1958. The first paragraph of this letter indicates that the Director had a discussion with Mr. Nixon on May 16, 1958, inasmuch as the first sentence of the above letter reads as follows:

"Apropos of our discussion today, there is set forth information contained in Central Intelligence Agency reports received from them on May 14, 1958."

The data set forth in our May 16, 1958, letter to Mr. Nixon is contained in a memorandum Mr. R. R. Roach to Mr. A. H. Belmont dated May 15, 1958, which was prepared for the Director's information. The Director noted on this memorandum, "Send summary to A. G. H." In accordance with instructions, a letter was sent to the then Attorney General under date of May 16, 1958, and this letter contained a summary of CIA information in the same manner as had been sent to Mr. Nixon on May 16, 1958. Our letter to the Attorney General, however, did not contain any observations regarding CIA coverage in Latin American countries visited by Mr. Nixon and his party.

Our file in this matter (62-88461-150) indicates that on June 9, 1958, JFK Act 6 (1)(B) in the office of the then Vice President Nixon contacted the Bureau at the request

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Memorandum W. C. Sullivan to
Mr. C. D. DeLoach
Re: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)
62-80750

JFK Act 6 (1)(B)

of Mr. Nixon to determine if the contents of a letter from the Director to Mr. Nixon dated May 16, 1958, regarding Mr. Nixon's trip to South America could be leaked to the press. [redacted] request was set forth in memorandum G. A. Nease to Mr. Tolson June 9, 1958, with the recommendation that [redacted] be advised that if the information were to be given to the press, it would undoubtedly create a serious problem as the FBI would then have violated CIA's confidence since CIA was aware that SA Papich had reviewed CIA's classified reports and, therefore, this information should not be given to the press. Both Mr. Tolson and the Director agreed with the recommendation, and [redacted] was advised of our decision. [redacted]

Comments on Remarks in SA Papich Memo 3/5/70

1. That most of the information in our letter to Mr. Nixon dated May 16, 1958, came from CIA and that this letter could be interpreted as raising the question concerning the quality of CIA's coverage in Latin America.

There is no dispute as to the source of the information which was summarized in our letter to Mr. Nixon, and we clearly indicated in our letter that the source was CIA. With regard to any question being raised as to the quality of CIA's coverage in Latin America, we merely pointed out to Mr. Nixon something that was readily discernible to any reader of the CIA reports - - that is, that the information from CIA popped up rather suddenly as related to the country and Mr. Nixon's arrival. Certainly Mr. Nixon himself, since he was personally involved in demonstrations directed against him during his Latin American trip, must have been aware that advance information from our responsible intelligence agency (CIA) may have been lacking.

2. We are not aware if CIA became knowledgeable of our letter to Mr. Nixon dated May 16, 1958. Under ordinary conditions, we are not aware nor do we seek to identify any CIA

- 3 -

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Memorandum W. C. Sullivan to
Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY (CIA)
62-80750

personnel who might be assigned to the White House staff. As indicated above, JFK Act 6 (1)(B) who was a member of Mr. Nixon's staff in 1958 and who is now a Deputy Director of CIA, was aware of our 5/16/58 letter and its contents. We have no information that CIA ever registered any type of protest in this matter.

3. That CIA technically could raise a question as to violation of the Third Agency Rule as regards our 5/16/58 letter to Mr. Nixon.

The Third Agency Rule is intended to prohibit a Government agency from disseminating information originating with another Government agency in the absence of specific authority to do so, and we follow this rule unless there are overriding reasons. With regard to our letter to Mr. Nixon dated 5/16/58, we set forth information clearly identified as having originated with CIA. This letter was apparently prepared at the specific request of then Vice President Nixon after conferring with the Director.

RECOMMENDED ACTION:

None. We do not believe, in light of the facts set forth, that CIA will make an issue of this matter.

- 4 -

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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. C. D. DeLoach

- 1 - Mr. C. D. DeLoach
- 1 - Mr. W. C. Sullivan
- 1 - Mr. W. A. Branigan

DATE: 3/6/70

FROM : Mr. W. C. Sullivan

- 1 - Liaison
- 1 - Mr. W. R. Wannall
- 1 - Mr. L. M. Linton
- 1 - Mr. E. R. Harrell

- Tolson _____
- DeLoach _____
- Walters _____
- Mohr _____
- Bishop _____
- Casper _____
- Callahan _____
- Conrad _____
- Felt _____
- Gale _____
- Rosen _____
- Sullivan _____
- Tavel _____
- Soyars _____
- Tele. Room _____
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- Gandy _____

SUBJECT: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY
(POSITIVE INTELLIGENCE)

Item Number 37 in the material submitted to the Director by Special Agent Sam Papich in his memorandum 3/5/70 discusses CIA criticism which could generate from Agency belief that Bureau has failed to cooperate and offer necessary assistance in collection of positive intelligence in the United States. Memorandum is to deal with specific cases believed by Papich to evidence lack of cooperation and to briefly comment on policy of cooperation we have adopted with CIA.

SYNOPSIS:

Mentioned Item by Papich points out CIA belief that more aggressive action should have been taken in field of collecting positive intelligence in the United States. Papich notes Bureau's action in this field, for the most part, has been restricted to compliance with requests by State Department when political crises occur in some country. He points out CIA belief that acquiring needed data would mean increased technical surveillance coverage, development of informants and collection of cryptographic material. Papich cites two specific cases occurring in 1969 where Bureau declined CIA's request for technical coverage, suggesting to Agency that it make its request directly to the Attorney General. Review of specific cases mentioned set forth with Director's comments relative thereto being noted. Our policy of cooperation with CIA most recently delineated to field by SAC Letter 66-10 (B) - copy attached. SAC letter calls for guarding our jurisdiction but shows our willingness to cooperate with CIA.

Enclosure

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(7)

OBSERVATIONS AND ACTION - OVER

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

CIA has repeatedly raised the issue in the past of our coverage in the positive intelligence collection area and we can reasonably expect similar issues to be raised in the future.

RECOMMENDED ACTION:

That we prepare a carefully worded letter to CIA outlining policy and the basic elements of intelligence and counterintelligence work affecting the United States and forthrightly ask CIA if it is satisfied with the status quo and if not what do they have to suggest as changes.

Our position is strong enough to try such an exchange.
WEL *JFK*
✓

Memorandum to Mr. C. D. DeLoach
 RE: RELATIONSHIPS WITH
 CENTRAL INTELLIGENCE AGENCY

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DETAILS:

Papich points out CIA feels there is unexplored field for acquiring positive intelligence in the United States but he notes that there has been no law, directive, or executive order which fixes responsibility for clandestine collection of such information. He notes we investigate subversives, spies, and develop penetrations of foreign intelligence services and that facets of these investigations of violations of United States laws serve to fulfill a counterintelligence objective referred to by us as investigations of internal security matters. Papich notes, however, that most of our work in the positive intelligence field has been restricted to the compliance with requests by State Department prompted usually by a political crisis occurring in some foreign country.

Papich points out CIA feels there is unexplored field for acquiring positive intelligence requiring use of vastly increased technical surveillances, informant development and collection of cryptographic material. According to Papich, CIA does not feel Bureau has moved aggressively in this area and CIA has been thwarted in attempts to do much about the problem. Papich cites two cases (Alfred S. Gonsalves, 10/69 and Zalman Shapiro, 10/69) where CIA requests for technical surveillance were declined by us with the suggestion to CIA that these matters should be taken up by that Agency directly with the Attorney General.

Specific Cases

CIA advised that [redacted]

[redacted] had been under development [redacted] intelligence service partly as a result of his weakness for women when assigned [redacted] [redacted] was to participate in bilateral talks with United States officials in [redacted]. By letter [redacted] CIA requested telephone and microphone surveillances on [redacted]. The Director commented "Let CIA seek the authority of the AG. I don't want them utilizing FBI as their channel."

[redacted] was originally investigated by us in [redacted] as a possible unregistered agent of the [redacted] Government due to negotiations by him with [redacted] officials designed to set up a semiprivate nuclear processing company in [redacted]

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Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

Our investigation showed close contact by [redacted] officials, [redacted] and details of activity by that subject to create the firm mentioned. [redacted] headed a [redacted] firm involved in Atomic Energy Commission (AEC) work requiring "Top Secret" clearance by AEC. Our initial investigation was closed when Assistant Attorney General - Internal Security Division found that facts did not justify soliciting [redacted] registration as a foreign agent.

In Spring of [redacted] sixty-one kilograms of nuclear material were found to be unaccounted for by the firm headed by [redacted] but subsequent inventories and checking by AEC revealed this shortage was probably the result of cumulative process of wasteful production methods over a period of eight years and did not justify an unqualified determination of a diversion of nuclear material on the part of [redacted] to unauthorized persons or government.

CIA, in [redacted] became alarmed on receipt of information of loss of mentioned nuclear material and despite AEC findings felt it may indicate illegal diversion or at least justification for reopening investigation. Richard Helms of CIA contacted the Attorney General directly with his thoughts regarding the need for additional investigation. Attorney General contacted Bureau requesting it discuss matter with CIA and determine advisability of additional investigation. The Director, in approving conference with CIA, noted "OK but I doubt advisability of getting into this. It looks like Helms is going around us to AG as he suspects we would say no."

An intensive investigation of [redacted] conducted during late [redacted] and into Fall of [redacted] revealed no positive intelligence activity on his part or verifiable diversion of AEC material to [redacted]. Our investigation included technical surveillances installed [redacted] and discontinued. [redacted] was interviewed by AEC [redacted] and disclaimed passing any classified data to [redacted]. Facts of case were reviewed by Department of Justice which found no evidence of prosecutable violation by [redacted]. AEC felt the additional investigation produced no data upon which could be based a legitimate withdrawal of clearance for AEC contracts or information. In view of this, we closed our investigation and CIA was so advised. A [redacted] letter from Helms acknowledged additional investigation

Memorandum to Mr. C. D. DeLoach
RE: RELATIONSHIPS WITH
CENTRAL INTELLIGENCE AGENCY

would produce no legal evidence pertinent to the issue which prompted CIA's original request but noted he felt reinstated audio surveillances of [redacted] would produce positive intelligence information. He therefore requested reinstatement of this coverage. The Director's letter to Helms [redacted] noted that after careful review it was felt that CIA should take this matter to the Attorney General.

On October 21, 1969, a CIA official was told by Special Agent Papich that in the future CIA should transmit its requests for technical surveillance coverage in the United States to the Attorney General. This specifically covered the cases of [redacted]. The Director commented "Right."

Bureau Policy of Cooperation

In 1965 and 1966, recognizing overlapping interests, changes inherent in faster communication, hysteria to facilitate international travel and in response to requests from CIA, the Director approved Bureau attendance at conferences with CIA regarding that Agency's operational activities in the United States. On a memorandum reporting the results of the conferences with CIA, the Director commented "I hope we still don't let our guard down as CIA has always outsmarted us because of our gullibility."

SAC Letter 66-10 (B) dated 2/15/66 furnished to the field and Bureau officials results of the conferences with CIA and emphasized necessity for protecting Bureau jurisdiction in the counterintelligence field. This SAC letter (copy attached) emphasized there is to be no interference with or infringement upon our jurisdiction but clearly shows our willingness to cooperate with CIA in developing positive intelligence in the United States. In approving this SAC letter, the Director noted "I hope there is no 'sneaker' in this. Time will tell."

There has been no renewed request from CIA for technical coverage in the cases mentioned above, nor has there been any indication that such requests have been sent by CIA to the Attorney General as we suggested. Due to CIA interest in the past in these matters, we cannot rule out the possibility the Agency may approach Attorney General for the desired coverage at some time in the future.

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(B) CENTRAL INTELLIGENCE AGENCY - OPERATIONS IN THE UNITED STATES -- The Bureau recently completed discussions with the Central Intelligence Agency (CIA) regarding that agency's operational activities in the United States. These discussions essentially dealt with CIA's assessment and recruitment of foreign intelligence sources in the United States. Enclosed for your use is a list of the ground rules which both agencies have accepted as guidelines for effecting the necessary coordination. In order that you may be adequately oriented in this matter, the following background is set forth. The need for the ground rules is related to CIA's interest in developing positive intelligence sources in the United States and the necessity for protecting the Bureau's jurisdiction in the counterintelligence field. The latter is essential to the adequate discharge of our responsibilities to national security.

Positive intelligence may be described as a comprehensive product resulting from collection, evaluation, collation, analysis, and interpretation of all available information relating to national security and concerning other countries where such information is significant to our Government's development and execution of plans, policies, and courses of action. Such intelligence can be divided into various categories, such as economic, military, scientific, political, geographic, et cetera. The collection of positive intelligence is distinguished from counterintelligence which is primarily designed to penetrate, monitor, neutralize and/or disrupt the foreign intelligence and security services. Counterintelligence further includes other functions of an internal security nature directed against subversive groups, organizations, and individuals. By law CIA does not have any law enforcement or internal security functions. CIA's authorization for collecting positive intelligence is predicated on the National Security Act of 1947 and subsequent issuance of National Security Council Directives. There is no law, directive, or charter which authorizes CIA to engage in the clandestine development of positive intelligence sources in the United States. Therefore, in the absence of any statutory prerogative to conduct such activity in the United States, it has been mutually agreed by FBI and CIA that the Agency can only engage in the clandestine development and handling of positive intelligence sources in this country by coordinating with the Bureau. The Bureau in turn legally has the primary counterintelligence responsibility in the U. S. and is continually developing positive intelligence. It, however, must be regarded an incidental product to our main objective. The Bureau does not have a primary responsibility to collect positive intelligence, but we do have numerous and very significant obligations in this field. In actual practice the Bureau is required by the President and other agencies to develop information

2-15-66

SAC LETTER 66-10

- 2 -

of a positive intelligence nature. This requires Bureau action designed to bring about the necessary coverage. A good example is our involvement in the development of information relating to the crisis in the Dominican Republic. From the above you will recognize that there can be "gray areas" of interest to the Bureau and CIA. It, therefore, has been necessary to effect adequate coordinating machinery.

The potential for the development of positive intelligence in this country is vast and varied. Voluminous positive intelligence is collected overtly through the review of foreign and domestic publications, interviews of travelers, arriving aliens, contacts with scientists, et cetera. In this area there have been no serious issues between the Bureau and CIA.

However, in the field of clandestine development of positive intelligence both agencies have an interest, and there is a necessity for a clear-cut understanding of jurisdiction and coordination. Particularly is this true in the development of positive intelligence sources who are employees or officials of foreign governments stationed in the United States or who are visiting this country on a temporary basis.

For many years the Bureau has had a continuing program of developing sources in diplomatic installations for the purpose of discharging our counterintelligence responsibilities and incidentally for developing positive intelligence information which might assist the Government in formulating policy. The Bureau, recognizing CIA's need for sources in the positive intelligence field,

JFK Act 6 (1)(B)

and certain Bureau field offices were alerted and furnished the necessary guidance and instructions. The recent discussions with CIA resulted in a refinement of the understanding of the ground rules established in January, 1964.

The enclosed ground rules will be applied by the Bureau and CIA as cases arise. The Bureau position in each matter will be decided at the Seat of Government. As a general rule, Bureau Headquarters will be informed by CIA regarding its interest in an individual or a target. Prior to notification of CIA regarding our position, the situation will be carefully reviewed at the Seat of Government. This may often include a request to the field for

2-15-66

SAC LETTER 66-10

- 3 -

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observations and recommendations before notice is transmitted to CIA. At the same time, it is possible that you may be contacted in the field by a representative of DOD, CIA. If so, you should be guided by the enclosed ground rules in any discussions, bearing in mind that the approval for any particular operational activity is to be made at Bureau Headquarters.

You should hold to the concept that the protection of the internal security of the United States involves very basic clear-cut responsibilities of the FBI. This should be kept in mind in each case and in any contacts which you may have with CIA representatives. There is to be no interference with or infringement upon our jurisdiction. It is recognized that unforeseen developments may create situations not adequately covered by the ground rules. You, therefore, should report such matters to the Bureau setting forth complete details with your recommendations. Although we have been informed by CIA that the Bureau's jurisdiction and operational interests will not be interfered with, we cannot discount the results of past experiences stemming from CIA's operational and organizational deficiencies. We have no reason to believe that there will be a revolutionary change of these conditions. It is, therefore, incumbent upon you to be extremely alert for any breakdown of the adherence to the ground rules. I emphasize that this is an area of activity which must be closely monitored by each Special Agent in Charge. You should be certain that your personnel is adequately oriented so that the Bureau can have the full benefit of any constructive suggestions pertaining to this entire matter.

Very truly yours,

John Edgar Hoover

Director

Enclosure for (B)

2-15-66

SAC LETTER 66-10

- 4 -

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

WASHINGTON, D.C. 20535

February 7, 1966

CENTRAL INTELLIGENCE AGENCY
OPERATIONS IN THE UNITED STATES

(1) CIA will not initiate an investigation of any foreign official in the United States without the concurrence and coordination of the FBI. In this context, the term "investigation" means systematic and direct inquiries or procedures (such as physical or technical surveillances or neighborhood inquiries) aiming at developing information concerning an individual's activities or background; "investigation" does not include the acceptance or the development of information through social contacts or contacts normally made by CIA agents in discharging their cover functions.

(2) CIA will seek concurrence and coordination of the FBI before approaching for recruitment any foreign official or communist-bloc visitor in the United States. The FBI will concur and coordinate if the proposed action does not conflict with any operation, current or planned, including active investigation of the FBI.

(3) CIA will advise the FBI prior to any planned meeting between a CIA asset and a foreign official or communist-bloc visitor of known or presumed interest to the FBI (this would include all communist-bloc officials and visitors) for purposes of assessment and social development.

(4)

[redacted] and foreign agents of CIA recruited abroad who come to the United States will be identified to the FBI by name or appropriate description depending on the national security interest involved.

(5) Pursuant to paragraph 4 above, when a CIA agent arrives in the United States for a visit or for an

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JFK Act 6 (1) (B)

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downgrading and
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Central Intelligence Agency
Operations in the United States

assignment, the Bureau will be advised and the two agencies will confer regarding the handling of the agent in the United States. It is recognized that each case will have its individual peculiarities. The governing principle will be positive intelligence interest as weighed against internal security factors. CIA will continue its contractual relationship for the purpose of handling the training, the procurement of positive foreign intelligence, the fulfillment of CIA commitments to the agent, and the preparation of the agent for his next assignment abroad.

(6) In those cases where CIA will be handling its agent in the United States, CIA will service FBI security or counterintelligence requirements and will provide the FBI all agent information bearing on counterintelligence or internal security matters, including the scope and nature of the agent's access to information and the identities of the agent's significant contacts, particularly in the communist-bloc field. In such cases where CIA servicing has been inadequate to FBI internal security interests, the FBI will have direct access to the agent.

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- 1 - Mr. Sullivan
- 1 - Mr. Mohr
- 1 - Mr. Callahan
- 1 - Mr. Bishop
- 1 - Mr. Felt

Mr. Tolson	_____
Mr. Sullivan	_____
Mr. Mohr	_____
Mr. Bishop	_____
Mr. Brennan, C.D.	_____
Mr. Callahan	_____
Mr. Casper	_____
Mr. Conrad	_____
Mr. Felt	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Tavel	_____
Mr. Walters	_____
Mr. Soyars	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

September 21, 1970

BY LIAISON

The President
 The White House
 Washington, D. C.

Foreign GENERAL

Dear Mr. President:

In reference to our discussion concerning the serious international situation and the need for more intelligence information of a high quality, I have analyzed our coverage abroad.

We presently have eleven liaison offices located at Bern, Switzerland; Bonn, Germany; Buenos Aires, Argentina; Hong Kong, British Crown Colony; London, England; Madrid, Spain; Mexico City, Mexico; Ottawa, Canada; Paris, France; Rome, Italy; and Tokyo, Japan, staffed by twenty-eight Special Agents.

With your approval, we are in a position to increase our Agent complement abroad by adding one man each to our offices in Paris, Bonn and Rome, and two men to our office in Buenos Aires. We are also in a position to establish new offices at Tel Aviv, Israel; Saigon, Vietnam; Caracas, Venezuela; San Jose, Costa Rica; La Paz, Bolivia; and Helsinki, Finland.

We feel the new offices, which we recommend be established, are desirable in view of the current crises in the Middle East and Vietnam, which are subject to momentary escalation, and the recurring critical situations in Central America and South America. An office in Helsinki would present the advantage of having a listening post close to the Soviet border.

We are giving further consideration to expanding our domestic coverage and to the possibility of additional expansion abroad for the purpose of producing information in the foreign intelligence field.

Sincerely yours,

[Handwritten signature]
 539244-294
 5 SEP 28 1970
 SEE NOTE, PAGE 2

- Tolson _____
- Sullivan _____
- Mohr _____
- Bishop _____
- Brennan, C.D. _____
- Callahan _____
- Casper _____
- Conrad _____
- Felt _____
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- Rosen _____
- Tavel _____
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- Soyars _____
- Tele. Room _____
- Holmes _____
- Gandy _____

DEM/WRW:ams

REMOVED (11) [initials]
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 Group 1

Excluded from automatic
 downgrading and
 declassification

Classified by: 6283
 Exempt from GDS, Category _____
 Date of Declassification Indefinite

MAIL ROOM TELETYPE UNIT

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The President

NOTE:

See cover memorandum C. D. Brennan to W. C. Sullivan
9/21/70, "Expansion of FBI Foreign Intelligence Collection Efforts,"
DEM/WRW:ams .

Classified "Secret" to protect sensitive Bureau operations
abroad.

- 2 -

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UNITED STATES GOVERNMENT

Memorandum

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Bishop	_____
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Tele. Room	_____
Holmes	_____
Gandy	_____

TO : MR. TOLSON

DATE: 9/22/70

FROM : W. C. Sullivan

cc Mr. Sullivan
 Mr. Mohr
 Mr. Bishop
 Mr. Brennan

SUBJECT: EXPANSION OF FBI FOREIGN INTELLIGENCE COLLECTION EFFORTS

I have been giving further consideration to the expansion of the foreign operations of the FBI. There is one more new office to which I would like to have the Director give consideration. I refer to opening a one-man office in Lebanon. My reasons are as follows:

We all know the gravity and the great importance of the Middle-East situation, involving Israel and the Arab nations. We will be opening an office in Israel. We need also to penetrate the Arab world and gather intelligence information of value to the President. It would be quite a feat to do this. There is one country in which I am reasonably certain we could get an office and develop some very fine sources of information, and this is Lebanon. I say this because I have known Mr. William J. Baroody, Director of the American Enterprise Institute in Washington for some years. He is a Lebanese. He makes regular trips to Lebanon, has many friends and relatives there, and has much influence in that country.

His son, William J. Baroody, Jr., is secretary to Melvin Laird, Secretary of Defense. Additionally, Mr. Baroody, Sr. is the moving force behind the Hoover Institution at Stanford University, and actually was the man who selected its present Director, Dr. Glenn Campbell. Mr. Baroody is also well known to President Nixon and his institute regularly does, on a very quiet and confidential basis, some work in the research and analysis field for the present administration. There is not the slightest doubt in my mind that Mr. Baroody would give every assistance possible to us should we elect to open an office in Lebanon.

RECOMMENDATION:

That the Director approve opening a one-man office in Lebanon and approve the attached letter to Mr. Haldeman at the White House, for the President.

Classified by 6283
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 Date of Declassification Indefinite

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UNITED STATES GOVERNMENT

Memorandum

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TO : W. C. Sullivan

DATE: September 21, 1970

FROM : C. D. Brennan

SUBJECT: EXPANSION OF FBI FOREIGN INTELLIGENCE COLLECTION EFFORTS

1 - Mr. Sullivan

1 - Mr. Mohr

1 - Mr. Bishop

1 - Mr. Callahan

1 - Mr. Felt

1 - Mr. Brennan

1 - Mr. D.E. Moore

1 - Mr. Wannall; 1 - Mr. Day

Tolson	_____
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Holmes	_____
Gandy	_____

Pursuant to the Director's request, we have considered how we can increase our coverage for the purpose of developing high-grade political intelligence. We feel we should (1) increase the scope and size of our presently existing Legal Attache (Legat) operations; and (2) open several new offices in selected strategic areas. We will, of course, explore opportunities to supplement our production of intelligence by increasing domestic coverage on diplomatic establishments of countries of particular interest where we feel it will provide information of the type desired. Our foreign coverage can be stepped up by assignment of 15 additional Agents abroad.

There are presently 28 Agents assigned to our 11 offices abroad. We would increase complement in selected existing offices as follows:

Office	Present Complement	Additions	Total
Paris, France	2	1	3
Bonn, Germany	2	1	3
Rome, Italy	1	1	2
Buenos Aires, Argentina	1	2	3

Six new offices would be established as follows:

*Tel Aviv, Israel	0	2	2
Saigon, Vietnam	0	1	1
*Caracas, Venezuela	0	2	2
San Jose, Costa Rica	0	2	2
*La Paz, Bolivia	0	1	1
Helsinki, Finland	0	2	2

Our existing Legat offices presently operate on a service-oriented basis. We would add the manpower listed above in Paris, Bonn, Rome and Buenos Aires with specific instructions that those offices are to develop the type of political information which is required.

Enclosure - sent 9-21-70

SECRET 10 OCT 13 1970

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Exempt from GDS, Category 1
Date of Declassification Indefinite

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SECRET

Memorandum for Mr. Sullivan
Re: EXPANSION OF FBI FOREIGN
INTELLIGENCE COLLECTION EFFORTS

We have selected the six new locales for following reasons:

With respect to Tel Aviv, the Israelis have a most competent and efficient intelligence-gathering network relating to the Arab countries and our efforts would be directed toward enhancing the flow of strategic information of this type to the U. S. In Saigon, Vietnam, there is an obvious critical situation generating the development of political intelligence. We would also be in position to develop on the spot the identities of Americans traveling in the area, particularly those subversives who within our own country are working toward the overthrow of our Government.

Caracas (Venezuela) is the capital of a country which has been a prime target for Castro infiltration and subversion efforts. In addition, from this strategic point we would be in position to develop political intelligence regarding Colombia, Panama, Ecuador, Trinidad, Guyana and Surinam. There are strong anti-American segments in all these countries working to deliver them to Castro, Communist China and Soviet Russia. San Jose is located in Costa Rica, the southern-most Central American country excluding Panama. All Central American countries are presently covered as a road trip by Mexico City Agent. Establishing San Jose as a Legat post would put us in the position of having an office strategically located to report regarding countries which are almost constantly in a state of rebellion and change. We would, of course, eliminate the road trip out of Mexico in establishing San Jose as a Legat post.

La Paz is located in the country (Bolivia) where "Che" Guevara was killed. It is strategic in its location in that it borders Chile to the south where a communist regime is about to take over and Peru to the west which is strongly anti-U. S. to the extent that U. S. interests are being confiscated. Helsinki (Finland) is in a country bordering Russia and would give us a strategic listening post in an area where there is a definite need for intelligence. With respect to both Bolivia and Finland, however, we must be prepared to encounter difficulties in establishing Legat operations because both governments are oriented away from the U. S.

Expansion abroad would include the necessity of assigning additional clerical personnel to certain existing offices as well as to the new offices.

Through past experience we know there is considerable high-level political intelligence available within the U. S. which can be secured immediately and with no risk through coverage of diplomats and diplomatic establishments by

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CONTINUED - OVER

SECRET

Memorandum for Mr. Sullivan
Re: EXPANSION OF FBI FOREIGN
INTELLIGENCE COLLECTION EFFORTS

technical surveillances. During past crises, such as those relating to the Middle East, Panama, Dominican Republic and Cuba, we have been able to produce especially significant data through technical coverage of selected establishments.

We recognize that should we expand our foreign coverage, certain problems would arise in view of Central Intelligence Agency and State Department interests in this area. However, we do feel the Bureau could provide information through the expansion outlined above which would be of benefit to the President and that any objections which may arise from other agencies can be overcome.

ACTION:

(1) If approved, attached letter will be sent to the President advising him of extent of our present coverage, expansion of our current offices, and establishment of additional ones as outlined above.

(2) If approved, we will submit our recommendations with regard to expanding our technical coverage of diplomats and diplomatic establishments within the U. S. for purpose of producing the intelligence required by the President.

(3) If approved, office of Assistant to the Director J. P. Mohr will proceed to recommend the additional personnel described above.

(4) If approved, we will instruct all Legats to expand their current coverage and to advise of their plans and recommendations for accomplishing this.

wps

[Handwritten initials]

[Handwritten initials]

[Handwritten initials]

*o.k.
a*

SECRET

UNITED STATES GOVERNMENT

Memorandum

SECRET

DATE: May 23, 1969

TO : MR. TOLSON

FROM : H. L. CHILD, JR.

SUBJECT: THE LEGAL ATTACHE PROGRAM

Tolson	
DeLoach	
Mohr	
Bishop	
Casper	
Callahan	
Conrad	
Felt	
Gale	
Rosen	
Sullivan	
Tavel	
Trotter	
Tele. Room	
Holmes	
Gandy	

General

The Bureau's Foreign Liaison Program has proved to be an invaluable adjunct to all categories of FBI investigative activity, particularly in view of the proven incapability, if not indisposition, of CIA and other agencies to adequately service our requests for inquiries overseas, or even more important, to aggressively seek the manifold information of immediate value to the Bureau which is available through well-developed foreign sources. It is obviously important to locate Legal Attache (Legat) Offices geographically and to staff them in the manner that will accrue to maximum advantage of the Bureau. The purpose of this memorandum is, at your request, briefly to analyze existing and potential foreign liaison coverage from standpoints of both areas involved and personnel. This analysis will be separated according to the three principal areas in which Legats are assigned: Europe, the Far East, and the Western Hemisphere.

EUROPE

The Bureau at present has five Legat Offices in Europe: Paris, France; London, England; Rome, Italy; Bonn, Germany; and Bern, Switzerland. All offices process a high volume of cases, but most of this volume consists of uncomplicated matters which lend themselves to standardized -- almost mass production -- handling. Much more important than the number of cases turned over monthly is the capability to develop sources who can handle Bureau inquiries immediately and through whom new, pertinent, needed information can be received on a current basis. In view of limited manpower, the main task facing each Legat is to exercise great selectivity in directing his efforts, eliminating all unnecessary and marginally productive activities.

Paris : The Paris Office was reduced in complement in late 1967 from 3 Agents and 3 clerks to 2 Agents and 2 clerks. The office is now staffed by exceptionally competent people, both Agent and clerical. A heavy work load is being handled efficiently and without undue strain. Legat Paris covers the former Madrid territory (Spain and Portugal) and is able to handle work in these two countries through 3-day road trips about every six weeks. The former Madrid Office had been regarded mainly as a "listening post" and was closed in 1963 because of low volume of work. Conceivably, if work in Africa increased greatly (it is now minimal), re-establishment of the Madrid Office should be considered. Another possibility is reassignment of the Spain-Portugal coverage from Paris to Rome, still keeping Paris as a 2-Agent, 2-clerk office. This would permit further intensification of liaison with key sources in the primarily important areas of France and Belgium.

HLC:wmj (1)

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Classified by 6283
Exempt from GDS, Category 3
Date of Declassification Indefinite

SECRET

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Memo for Mr. Tolson
Re: The Legal-Attache Program

Rome: The Rome Office was cut in late 1967 from 3 Agents and 3 clerks to 2 Agents and 2 clerks. It is operating very smoothly with present complement and, in fact, could carry a slightly heavier load. Legat Rome has substantially improved the imperfect liaison which existed in its territory two years ago. Since 1967 road trip coverage of Turkey and Lebanon was discontinued as unproductive. Coverage is now limited to Italy and Greece, with one-week road trips to Greece made every other month. The cases developed from the Greece road trip are very routine in nature, consisting mostly of matters gleaned from review of U. S. visa and immigration files in Athens. Assistant Legat Theodore A. Korontjis, who mainly handles liaison in Greece, has informally expressed his intention of requesting return to domestic assignment when his present tour expires in 1970. It is believed that a Greek-speaking Agent is not essential for the type of work currently existing. Replacement of Korontjis with a Spanish-speaking Agent would permit assumption of Spain-Portugal coverage by the Rome Office, which Rome work load could well accommodate. Airline distance from Rome to Spain and Portugal is only negligibly greater than from Paris.

London: Legat London's complement was reduced from 3 Agents and 3 clerks to 2 Agents and 2 clerks in late 1967. Work load is heavy but actually no more so than that of Legat Paris, who had adjusted to the reduction somewhat more gracefully. Continued attention to conscientious streamlining and selectivity and economy in direction of effort can enable the London Office to function effectively with existing personnel. However, if assignment of additional personnel to Legats becomes practical, and especially if the Spain-Portugal responsibility were shifted from Paris to Rome, London, of the 5 European offices could best justify a personnel increase, and increase of clerical complement from 2 to 3 could be considered warranted.

Bern: Complement of Legat Bern (1 Agent and 1 clerk) has remained unchanged since the office was opened. Bern covers Switzerland and Austria with very occasional trips to the tiny principality of Liechtenstein.

Bonn: Complement of Legat Bonn was reduced in late 1967 from 3 Agents and 3 clerks to 2 Agents and 2 clerks. Bonn handles work in West Germany and the Netherlands.

Both the Bern and Bonn Offices are productive and well managed, but do not have visible expansion potentials that would necessitate or justify additional personnel. Bonn is in a position to release one of its 3 clerk-stenographers whenever necessary during extended leave of employees in the other European Offices. The Paris, London, Bonn and Rome Offices are all capable, through good management, of releasing their second Agent temporarily for relief duty as necessary in the one-man Bern Office.

-2-
SECRET

CONTINUED = OVER

Memo for Mr. Tolson
Re: The Legal Attache Program

SECRET

FAR EAST

We have three Legats in the Far East: Tokyo, Japan, ^{Manila, Embassy} Philippines; and the British Crown Colony of Hong Kong. All liaison in the Orient was handled until 1961 by Legat Tokyo. The Manila Office was opened in 1961 and the Hong Kong Office in 1966 with appropriate allocation of geographic responsibilities. Preponderance of work in all three offices, and particularly in Tokyo and Hong Kong, has been in the security category -- with main emphasis on Chinese Communist matters. ^{BASEY}

^{BASEY}
✓ Tokyo: In late 1967 complement of the Tokyo Office was reduced from 2 Agents and 2 clerks to 1 Agent and 2 clerks. Territory covered includes Japan, Republic of China (Taiwan), South Korea and Okinawa. The latter 3 areas are covered by road trip of about one week at 2-month intervals. Solidly established sources provide a wealth of information of value to the Bureau, which of necessity at present is processed most selectively by the Legat. Sufficient potential for further exploitation of sources in Japan and Taiwan exists to justify assignment of a second Agent in event overseas expansion becomes feasible. Competence in the Japanese language, written as well as spoken, is important. Clerical complement at Tokyo had been 3 until about 1965, when it was reduced to 2. The office has operated efficiently through extensively streamlining with the 2 clerks, and can continue to function with this complement although supply of relief clerks by Tokyo to other Far Eastern Offices is difficult.

^{BASEY}
✓ Hong Kong: Complement of Legat Hong Kong has been 1 Agent and 1 clerk since time the office was opened. There are no road trips. Limited potentials in the nearby Portuguese colony of Macao, plus hazards of travel to that colony which is so susceptible to Chinese Communist encroachment and pressure, have militated against official travel there by Bureau representatives. British authorities, in approving our opening of the Hong Kong Office, were adamant that we not conduct liaison with Taiwan from Hong Kong in view of the sensitive balance of British relations with Red China. This factor has precluded our consideration of shifting coverage of Taiwan (which is located about half-way between Hong Kong and Japan) from Tokyo to Hong Kong. Major work of Legat Hong Kong involves file reviews and liaison within the American Consulate General, which is one of the largest consulates in the world, having more personnel assigned than our embassies in many of the smaller countries. Of much importance also is liaison with Hong Kong Police Headquarters and British Security Service (MI-5). Although Legat Hong Kong was continually pressed the Bureau for assignment of additional personnel, the existing complement should be adequate if efforts are applied by Legat with maximum efficiency. Liaison is conducted 100% in English, which is the official language in Hong Kong. Knowledge of Chinese is helpful in living in Hong Kong, but is not essential.

SECRET

Memo for Mr. Tolson
Re: The Legal Attache Program

Manila: There is very little activity of interest to the Bureau in the Philippines. Our office was located there in 1961 largely because of its central location with respect to Southeast Asia. All liaison in the Philippines is conducted in English, which is the official language. Spanish is virtually useless and study of the native Tagalog, Ilokano and Pampanga dialects is impractical. The Manila Office since its inception has had one Agent and one clerk. Because of dearth of work in the Philippines and wide extent of the territory, the Legat has spent a large proportion of his time "on the road," covering all of Southeast Asia, Singapore, Kuala Lumpur, Australia and New Zealand. Much of his travel to far-flung countries has been necessitated in the past by requirement that Legat interview FBI National Academy candidates being sponsored by the Agency for International Development (AID). Case load at Manila has dropped substantially during the past 16 months. Manila, if any Far Eastern office, should be considered for readjustment of territory. The small amount of work existing in Manila itself could be handled without difficulty by Legat Hong Kong (one hour away by airjet). A more logical spot for coverage of Southeast Asia might be Canberra, Australia, or Bangkok, Thailand, both of which are more centrally located, have more potential for expansion of FBI investigative interests and present a more healthful, secure environment for clerical employees and dependents.

Vietnam: Another area of vital importance to the United States at this time is South Vietnam, which heretofore has been considered part of the Manila territory. Saigon currently is the seat of one of the largest U. S. Embassies in the world in terms of personnel assigned, with enormous U. S. Information Service, AID, and other auxiliaries. The CIA operation in Vietnam is by far the largest it has in the whole world. Although we have in the past had relatively little case work in Vietnam, unquestionably an FBI representative, if solidly accredited to the Embassy, would be in a position to make an important contribution to the overall effort through police liaison, and would at the same time serve as a valuable listening post for the Director. In any expansion program it would therefore appear that Saigon should be actively considered.

Taiwan: As noted above, the Republic of China (Taiwan) has been covered by Legat Tokyo. British attitude makes coverage of Taiwan from our Hong Kong Office unfeasible. An alternative to increasing Agent complement at Tokyo from one to two would be opening a new office in Taiwan, from which the Republic of Korea (South Korea) could conveniently be handled. If this were done, one Agent and one clerk at Taiwan would suffice. It would still be desirable to retain two clerks in Tokyo, and with the reduction in territory the second clerk could be made available whenever required for relief duty in other Far Eastern offices. On analysis, however, it would appear more desirable for the Bureau to continue to cover Taiwan and South Korea out of Tokyo, as this, assuming complement at Tokyo can again be established at two Agents, would insure a source of Agent relief for the other Asiatic offices, at the same time maintaining the economy of a more consolidated operation.

Memo for Mr. Tolson
Re: The Legal Attache Program

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WESTERN HEMISPHERE

We now have 3 offices in the Western Hemisphere: Ottawa, Canada; Mexico City, Mexico; and Buenos Aires, Argentina.

Ottawa: Legat Ottawa has operated from the beginning with only one Agent, but with 2 or more clerks. Following the inspection in March, 1969, clerical complement was raised to 3 and request of Legat for 1 additional Agent was denied. Legat processes an enormous volume of investigative matters (484 cases pending on 3/31/69; 282 cases closed during March, 1969), 99% of which involve liaison with the Royal Canadian Mounted Police (RCMP). Although most of the cases are stereotyped and are handled by use of form communications, the very volume involved is greatly confining to Legat, limiting his availability for personal liaison with the highly cooperative RCMP in matters of greater importance to the Bureau. For this reason, serious consideration should be given when practical to assigning a second Agent to office of Legat, Ottawa.

Mexico City: Mexico City has a complement of 12 Agents and 12 clerks (reduced from 15 Agents and 15 clerks following the inspection in February, 1969). The office covers Mexico and five countries of Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua). Legat operates a large number of informant nets in Mexico to provide intensive knowledge of potentially subversive activities along the northern border of the United States. Criminal investigations involving border crossings are also numerous. During the recent inspection a redirection of effort was ordered, to concentrate more fully on activities of direct Bureau interest and less on matters where other U. S. agencies have joint interest and responsibility. In view of this, it would not appear that increase in personnel at Mexico in the immediate future will be justifiable. 3/65

Buenos Aires: The Buenos Aires Office was opened 3/31/67 coincident with closing of the Rio de Janeiro Office. Territory includes Argentina, Uruguay and Brazil. Staff consists of one Agent and one clerk, which was found to be adequate during inspection completed 5/11/69. Work load is substantial, but justification was not seen during the recent inspection for reopening the Rio de Janeiro Office.

Other Latin American Countries: At present, no regular coverage is maintained by the Bureau in Panama, Venezuela, Colombia, Ecuador, Peru, Bolivia, Paraguay, Chile and other South American countries. Experience has shown that well planned, aggressive liaison does produce worthwhile results for the Bureau in cooperative foreign areas. While disposition of some of the above countries toward the United States has fluctuated, the necessity of maintaining a position of intelligent defense against the inroads of communism in the Western Hemisphere is clear.

Memo for Mr. Tolson
Re: The Legal Attache Program

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Data is not available to evaluate potentials of each of the countries mentioned, but if expansion abroad becomes practical in the future a careful survey to select one of the countries named as site of a new Legal Attache Office appears desirable.

RECOMMENDATIONS:

1. That observations of the Domestic Intelligence Division (DID) and Legats, Paris and Rome be obtained regarding desirability of shifting coverage of Spain and Portugal from the Paris Office to the Rome Office. Their observations should also be requested regarding future desirability of reopening the Madrid Office to cover Spain, Portugal and, if necessary, nearby areas of Africa.

✓
OK
A

2. That a third clerk-stenographer be assigned to London when feasible.

I agree - do it now
4:20, 5/22
OK

3. That an additional Agent be assigned the Tokyo Office when feasible, restoring complement to 2 Agents and 2 clerks.

I agree - do it now
OK

4. That DID and Legats Hong Kong and Manila be requested to furnish recommendations regarding desirability of closing the Manila Office; having the Philippines covered by Legat Hong Kong, and opening a new office either at Canberra, Australia, or at Bangkok, Thailand, to cover Southeast Asia.

OK
A ✓

5. That Saigon be considered for opening of a new Legat Office in any future expansion program.

no action at present
OK
A

SECRET

Memo for Mr. Tolson
Re: The Legal Attache Program

SECRET

6. That Taiwan continue to be covered by Legat Tokyo.

✓

OK
/

7. That an additional Agent be assigned to Office of Legat, Ottawa, when feasible, bringing complement to 2 Agents and 3 clerks.

3 agents - now
OK-T

8. That DID and Legats, Mexico City and Buenos Aires, be requested to furnish specific recommendations regarding desirability of opening a second office in South America.

OK
/

←
5/23

UNITED STATES GOVERNMENT

SECRET

Memorandum

Tolson	<input checked="" type="checkbox"/>
Sullivan	<input checked="" type="checkbox"/>
Mohr	<input checked="" type="checkbox"/>
Bishop	<input type="checkbox"/>
Brennan, C.D.	<input type="checkbox"/>
Callahan	<input type="checkbox"/>
Casper	<input type="checkbox"/>
Conrad	<input type="checkbox"/>
Dalbey	<input checked="" type="checkbox"/>
Felt	<input checked="" type="checkbox"/>
Gale	<input type="checkbox"/>
Rosen	<input type="checkbox"/>
Tavel	<input type="checkbox"/>
Walters	<input checked="" type="checkbox"/>
Soyars	<input checked="" type="checkbox"/>
Tele. Room	<input type="checkbox"/>
Holmes	<input type="checkbox"/>
Gandy	<input type="checkbox"/>

TO : Mr. Tolson

DATE: 6/8/71

FROM : D. J. Dalbey

DJ Dalbey *Foreign General*

SUBJECT: ESTIMATED COST OF PROPOSED
EXPANSION OF FOREIGN LIAISON

Mr. Beaver

In a notation on the attached routing slip of June 8, 1971, to the Director from Mr. Beaver, the Director asked for my views on the subject matter -- the expansion of the FBI's Foreign Liaison personnel, offices, and activities.

I recommend the expansion for three reasons, as follows:

1. The suggestion that we expand originated at the White House, and was said there to be based on the quality of information valuable to the President that we have been able to provide. If it is the judgment of the President and his Advisers that this Bureau is able to provide unusually good information, and that they need more of it, we certainly are in no position to deny or disagree. It safely can be said that the people in the White House know better than we the value of the information which we have provided. I will trust their judgment.
2. It seems hardly open to question that the President of the United States needs good information of this type now more than ever before. Political, economic and social ferment abroad, all bearing on our foreign relationships, requires more and better information. This hemisphere alone is a good example. In the past we have had sporadic trouble with one banana republic or another but never before have we had a combination of such difficulties as now are encountered in Cuba and Chile which have been taken over by the Communists, and in several other countries which are apparently on the verge of a revolutionary change. If there is a chance that we can help, we should try.

HANDLER SEPARATELY

DJD:tak-lak
(2)

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Exempt from GDS, Category _____
Date of Declassification Indefinite

REC-142
SECRET

539244-376
CONTINUED - OVER 52

JUN 2 1971

*Memo Filed to Tolson, Callahan
6-10-71, WMA*

SEP 2 1971
DocId:32989637

SECRET

Memorandum to Mr. Tolson
Re: Estimated Cost of Proposed
Expansion of Foreign Liaison

3. My limited experience with and memory of the Bureau's S.I.S. operations during World War II convinced me that we should be able to produce superior information. I was undercover in Chile for one year and because of that experience, I followed the S.I.S. operation with more than usual interest. I think the files will show that this Bureau was greatly praised by high government officials for its S.I.S. accomplishments. This leads me to conclude that we can do a superior job again if need be.

I recommend an expansion of Foreign Liaison consistent with White House desires.

✓
WBS

DA

Please look into this.
Letter from Sullivan's
memo that he is not
only against further ex-
penditure but would close
down some of our present
liaison posts & doubt the whole
value of our foreign operations.

H

SECRET

UNITED STATES GOVERNMENT

Memorandum

Tolson	✓
Sullivan	✓
Mohr	✓
Bishop	
Brennan, C.D.	
Callahan	
Casper	
Conrad	
Dalbey	
Felt	
Gale	
Rosen	
Tavel	
Walters	
Soyars	✓
Beaver	
Tele. Room	
Holmes	
Gandy	

TO : MR. TOLSON

DATE: June 17, 1971

FROM : W. M. FELT

SUBJECT: FBI FOREIGN LIAISON PROGRAM

GENERAL

The Director asked for my views on Mr. Sullivan's 6-page memorandum, dated 6/16/71, arguing against proposed expansion of our Foreign Liaison and proposing elimination of most existing Legal Attache Offices either now or within six months.

Mr. Sullivan has not set forth any information which causes me to change my position. Three important factors must be kept in mind: (1) The White House requested both the recent expansion and the proposed expansion; (2) what is of value to the White House is political, economic and social information; (3) we are not attempting to decide the question on the basis of "hard intelligence." The White House is not directly interested in Fugitives located, espionage subjects identified and cases solved, which are what I think Mr. Sullivan is talking about.

RECOMMENDATION:

That we proceed with the proposed expansion program.

- 1 - Mr. Sullivan
- 1 - Mr. Beaver
- 1 - Mr. Soyars

WMF:wmj
(5)

SEP 2 1971

Foreign General
June 8, 1971

- Mr. Tolson _____
- Mr. Sullivan _____
- Mr. Mohr _____
- Mr. Bishop _____
- Mr. Brennan, C.D. _____
- Mr. Callahan _____
- Mr. Casper _____
- Mr. Conrad _____
- Mr. Dalbey
- Mr. Felt _____
- Mr. Gale _____
- Mr. Rosen _____
- Mr. Tavel _____
- Mr. Walters _____
- Mr. Soyars _____
- Tele. Room _____
- Miss Holmes _____
- Miss Gandy _____

DDJ

MR. HOOVER:

I do not agree with Sullivan's comments in the attached memorandum. The instructions to prepare a memorandum for suggested expansion of our foreign offices and possible addition of personnel to existing ones were issued pursuant to your telephonic instructions to me while Mr. Sullivan was on annual leave. Mr. Sullivan apparently does not realize that this is being considered at the specific request of the White House based on its evaluation of information we have furnished. Accordingly, I recommend that Sullivan's observations be disregarded at this time.

Mr. Beaver

I am attaching copies of the memoranda prepared in the Domestic Intelligence Division concerning this possible expansion.

R. R. BEAVER

RRB:crt

Dalbey
views - H
What are your

WBS

ENCLOSURE
HANDLED SEPARATELY

REC-142

67-539244-375	
Searched _____	Numbered <u>52</u>
10 SEP 2 1971	

SEP 2 1971

5/14/75 Request Appendix B, Item I-5
(Made available for review by memo to AG 7/22/75)

8/5/75 Request, Part I - D
(requested delivery - delivered per memo to AG
8/11/75)

INSPECTION REPORTS

RETAIN

S F INSPECTION
10/15-29/70

Recommend entire document be classified "Secret,"
XGDS 1, 2, 3.

Portions recommended for excision from attached have
been underlined in red or bracketed in red in left margin.

Generally, criteria for excision were:

1. Information which could identify sources or sensitive techniques
2. Names of individuals or organizations whose privacy requires protection
3. Information which would reveal our overall success or lack of success in a given investigative area
4. Information from "Third Agencies" or friendly foreign agencies
5. Identities of Bureau personnel below the Section Chief level

The adequacy of Personnel Sections, in general, disclose the extent of our commitment in specific areas of counterintelligence activity. We have given the Committee Administrative Division figures regarding total manpower involved in security investigations but, to my knowledge, we have not given them a breakdown as to where these personnel are assigned. A policy decision is necessary as to whether we want to pinpoint, through release of "Adequacy of Personnel" sections of these inspection reports, precisely how much or how little manpower we have on specific types of investigations.

It is questionable whether the information regarding criminal cases in the San Francisco report is germane to the Committee's inquiry. It would not seem improper to me to delete all references to criminal matters and merely substitute a page saying that "pages ____ to ____ relate to criminal investigations."

JPT

INSPECTION

SAN FRANCISCO OFFICE

OCTOBER 16 - 29, 1970

TABLE OF CONTENTS

TABLE OF CONTENTS

	<u>PAGE</u>
<u>I. INVESTIGATIVE OPERATIONS</u>	
Substantive Errors	1
Errors of Form	3
Security Survey-Security Informant Survey . .	7
Racial Matters and Informants	103
Criminal Informant Survey	150
Statistical Accomplishments	182
Bank Robbery Survey	191
Criminal Intelligence Program	203
Selective Service Matters	241
<u>II. ADMINISTRATIVE OPERATIONS</u>	
Administrative Handling of TFIS Cases - San Francisco Office	249
Trend Memorandum - Destruction of Channelizing Memorandum	258
Trend Memorandum - Failure to Properly Execute Daily Reports and Number Three Cards	260
Trend Memorandum - Improper Administrative Handling of Security and Racial Informant Files	262
Trend Memorandum - Informant Contacts	265
Trend Memorandum - Improper Maintenance of 157-0 (Racial Matter) File	267
Trend Memorandum - Delay in Opening and Investigating Racial Matters	269

III. PERSONNEL MATTERS

Personnel Interviews 271
Adequacy of Personnel - Special Agent . . 272
Adequacy of Personnel - Clerical 278

IV. FBI APPLICANTS AND RECRUITING 286

V. SUGGESTION MEMORANDA

Designation of Rotor Number on
File Jacket 293

JEREMIAH JOSEPH SULLIVAN, JR.
SSN 4-30-46-219
SELECTIVE SERVICE ACT 294

RAND N. DODD
SSAN 548 6 8438 A
ASN 28 189 434
FUGITIVE DESERTER 296

LEE EDWARD BECKHUSEN
SSAN 565 86 4805 A
ASN US 568 430 58
FUGITIVE DESERTER 299

BOND DEFAULT MATTERS 301

UNSUB; BOMBING OF COURTROOM NUMBER
FOUR, SUPERIOR COURT, CIVIC CENTER,
SAN RAFAEL, MARIN COUNTY, CALIFORNIA
10/8/70
BOMBING MATTER 303

VI. SUBSTANTIVE WRITE-UPS

UNSUB; THEFT OF 8 GOODYEAR
DOUBLE EAGLE TIRES FROM LEE
WAY TRUCKING COMPANY, SAN
LEANDRO, 6/22/70, THEFT
FROM INTERSTATE SHIPMENT 306

PAGE

~~ROGER WILLIAM EPPERLEY~~
~~SSN 4-4-49-18~~
SELECTIVE SERVICE ACT 308

~~WILLIAM JOSEPH LAPUZZA~~
~~NSN B 61 78 34~~
FUGITIVE DESERTER 311

~~GARY EUGENE LEGO~~
INTERSTATE TRANSPORTATION OF
STOLEN PROPERTY 314

~~JIMMY LA VERNE BUSHBAUM, aka.~~
FUGITIVE
UFAC - MURDER 317

~~TERRY LANCFN~~
SECURITY MATTER - PROGRESSIVE LABOR
PARTY 319

~~DAVID CHARLES LIPPMAN~~
SECURITY MATTER - SDS (EXTREMIST) 321

AMERICAN COMMITTEE FOR JUSTICE IN THE
MIDDLE EAST - SAN FRANCISCO BAY CHAPTER
INTERNAL SECURITY - MIDDLE EAST 324

INVESTIGATIVE OPERATIONS

SUBSTANTIVE ERRORS

4-B

INSPECTOR ARNOLD C. LARSON: During the course of the San Francisco inspection 4592 files were reviewed (4120 pending and 472 closed). A total of eight substantive errors were detected, five of which were in pending files and three in closed files. The substantive errors detected are as follows:

<u>Type of Error</u>	<u>Number</u>
Failure to submit Letterhead Memorandum to Bureau	1
Failure to maintain interview log and Interrogation; Advise of Rights Form	1
Failure to advise Subject of identity of agent and purpose of interview	1
Failure to open case in Progressive Labor Party matter	1
Delayed and inadequate investigation	1
Delayed investigation	1
Inadequate investigation	1
Failure to submit evidence to FBI Laboratory and return evidence to contributor	1

SUMMARY

<u>Files Reviewed</u>	<u>Number of Substantive Errors</u>	<u>Files With Substantive Errors</u>	<u>Percentage of Files with Substantive Errors</u>	<u>Field Average</u>
<u>PENDING</u>				
4120	5	5	0.12%	0.22%
<u>CLOSED</u>				
472	3	3	0.63%	0.40%
<u>TOTAL</u>				
4592	8	8	0.17%	0.29%

SAN FRANCISCO INSPECTION

4-B

10/29/70

BDW:st

The percentage of all files (pending and closed) containing substantive errors is 0.17% which is below the field average of 0.29%.

In pending files the percentage error was 0.12% as compared to field average of 0.22%. This is a very favorable comparison, however, the error percentage of 0.63% in closed files is higher than the field average of 0.40%. This would indicate that a closer review of files should be made at the time of closing to insure that no further action is warranted in those cases.

The subject of substantive errors should be discussed with employees of the San Francisco Office periodically and all efforts should be made to eliminate errors such as those set out above.

Comments or SAC requested.

~~SAC~~ GEBHARDT: The Inspector's instructions will be followed
10/29/70 and, further, I will continue to stress with
REG:hko all personnel the necessity to reduce the errors
to a bare minimum.

FORM ERRORS

INSPECTOR ARNOLD C. LARSON: During the current inspection a total of 4,592 files were reviewed (4,120 pending and 472 closed). A total of 159 form errors were detected in 144 pending files and 11 errors were found in 9 closed files reviewed. A summary regarding this review is set out as follows:

<u>Files Reviewed</u>	<u>Files with Form Errors</u>	<u>Form Errors in File</u>	<u>% of Files with Form Errors</u>	<u>% Last Inspection</u>	<u>Field-Wide Average</u>
<u>PENDING</u>					
4,120	144	159	3.49	3.24	4.46
<u>CLOSED</u>					
472	9	11	1.90	1.74	1.62
<u>OVERALL</u>					
4,592	153	170	3.33	3.10	4.06

The following is a tabulation of errors of form detected:

<u>Type of Error</u>	<u>Agent</u>	<u>Clerk</u>	<u>Total</u>
FD-263 incomplete	15		15
Failure to record OO on communication	12		12
Mis-serialization		17	17

SAN FRANCISCO INSPECTION
10/29/70
4-D

BDW/crv

<u>Type of Error</u>	<u>Agent</u>	<u>Clerk</u>	<u>Total</u>
Minor Misspelling		20	20
Charge Out Slip Not Dated		4	4
Date of Interview Not Shown	3		3
Serial Incorrectly Charged Out		1	1
Bureau File Number Not Recorded on File Cover		8	8
Exhibit Envelope Improperly Prepared	7		7
Photograph In Exhibit Envelope Not Identified	4		4
Serials Not Initialed	7		7
Dictation Slip Loose or Not Removed From File		8	8
Typing Date Incorrect or Omitted		4	4
Unnecessary copies of report prepared	5		5
Status Omitted	4		4

<u>Type of Error</u>	<u>Agent</u>	<u>Clerk</u>	<u>Total</u>
Serials Marked For Incorrect File		4	4
Improper Rotor Designation		6	6
Reference Omitted or Incorrect	3		3
FD-238 Incomplete	10		10
SS Not Stamped On File Cover of Case Where Info To Be Disseminated to Secret Service	12		12
Status of Closed Case Not Shown on File Cover		4	4
1-A Exhibit Not Properly Described	9		9
Complaint Not Initialed By Legal Instructor	<u>3</u>	<u>—</u>	<u>3</u>
Totals	94	76	170

The percentage of form errors has increased in both pending and closed files over that detected at time of last inspection and the percentage of form errors in closed files is above the field average. It is pointed out, however, that the percentage of errors in pending files and the overall percentage is still below the field average.

Of errors detected, 55.29 per cent were attributable to Agents and 44.71 per cent attributable to clerical personnel. For your information the field average is 53.7 attributable to Agents and 42.6 to clerks.

You should periodically discuss the subject of form errors with your employees and efforts should be made to reduce this type error to an absolute minimum.

Comments of SAC requested.

SAC GEBHARDT
(10/29/70)

The Inspector's instructions will be followed and I will make every effort to reduce

this type of error to an absolute minimum.

Rev. 8/18/70

SECURITY SURVEY
SECURITY INFORMANT SURVEY

4-F-G

INSPECTOR A C LARSON

Furnish the following information with respect to security matters

in territory covered by this office. Responses must be brief, concise and factual. If any section or subsection is not applicable to situation in your territory, simply so state.

A. BASIC REVOLUTIONARY ORGANIZATIONS

1. In columnar form, set forth information requested below concerning each of following:

- a. Communist Party, USA, and front groups.
- b. Communist splinter groups, such as Socialist Workers Party, and any youth groups or other front groups affiliated with them.
- c. Pro-Chinese Communist groups.
- d. Miscellaneous subversive groups which do not fit above categories, excluding racial and New Left organizations.

<u>Organiza- tion (list clubs and subunits where applicable)</u>	<u>Size of member- ship now. Indicate in parenthesis # positively identified</u>	<u>Size of member- ship last inspection</u>	<u>Top function- aries, if any, by name & file #</u>	<u>Identity of SIs & PSIs affording coverage & file #</u>	<u>Informant position in organization. If not active so state</u>
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2. Briefly describe nature and extent of activities of each group listed in item 1. Summarize basis for your estimate of

SAN FRANCISCO

INSPECTION

4-F-G

OCT 16 1970

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membership and comment regarding adequacy of coverage. Explain any significant change in membership. Briefly describe programs for identifying members. Briefly comment regarding financial affairs of each organization and source of funds. (Use "teletype language" -- one paragraph per organization.)

B. NEW LEFT (Including anti-war and/or anti-draft groups)

1. In columnar form set forth information requested below concerning New Left groups (such as Students for a Democratic Society). Total columns where applicable such as those dealing with members.

<u>Organization (by club or subunits where applicable)</u>	<u>Size of membership now</u>	<u>Size of membership last inspection</u>	<u>Key Activists, if any, by name and file #</u>	<u>Identity of SIs and PSIs affording coverage & file #</u>	<u>Informant position in organization. If not active so state</u>
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2. Briefly describe nature and extent of activities of each organization and subunit if applicable. Set out affiliations with national organizations or factions. Comment as to financial affairs of each organization and source of funds. Include New Left publications and New Left fund raising organizations. Details of your coverage of Key Activists should also be shown. (Use "teletype language" -- one paragraph per organization.)
3. Describe steps taken by your office to detect international contacts and/or cooperation by New Leftists in your territory with foreign individuals or groups. Include steps taken to be aware of foreign travel by New Leftists either as individuals or in groups such as Venceremos Brigade. Comment on your coverage of New Leftists who have clearly demonstrated support for such foreign cooperation and have established international contacts or serve as conduits for exchange of information between U. S. and foreign New Left groups.

4. List number of Priority I subjects being investigated as New Left terrorists under Weatherman character.
5. List cases being investigated under New Left Movement - Violence character in accordance with instructions set forth in SAC Letter 70-18 (C) dated 4/7/70.
6. As briefly as possible set forth a summary of the information furnished by you to the Bureau since 6/1/70 in compliance with instructions set out in paragraph 2, page 3, Buairtel 5/13/70 captioned, "New Left Movement - Violence; IS - Miscellaneous (Weatherman)." Use as a guide the 5 categories set out on page 3 to answer this part of the survey.
7. In reference to question 6, you will recall Bureau teletype dated 4/17/70 set forth six areas of investigation of New Left terrorism which were considered for intensification. You submitted in response to that teletype an estimate of your manpower requirements to implement the intensified investigation. What was your estimate? Have you fully implemented the program? How many men do you have assigned to this work - New Left Movement - Violence (Weatherman)? Is this number adequate? If not, how many more men do you now feel should be assigned this work to fully implement the instructions in Buairtel 5/13/70?

C. SECURITY INDEX

1. In columnar form list number of Security Index subjects now; number last inspection, by
 - a. Number in each priority (Priority I, II, and III).
 - b. Number in each organization (i. e. CP -USA; SWP; SDS, etc.).
2. List identity and file number of all Security Index subjects for whom photographs not available or photographs over ten years old.
3. List missing tabbed Security Index subjects.
4. Indicate procedure for reopening at required intervals for verification of address and employment and for required reporting of information.

5. How are Reserve Index A and Reserve Index B indices maintained in your office?
6. List by name and file number all Security Index subjects being covered as disaffectees from Soviet and Bloc countries.

D. ESPIONAGE AND RELATED MATTERS

1. Summarize significant espionage matters and call attention to any problems being encountered. List all Soviet and Soviet Bloc official establishments in your Division if applicable.
2. List each pending case on Soviet students at educational institutions in your Division (Section 105 K, Manual of Instructions).
3. Soviet Bloc Immigrants (SOBIR)

From control files maintained per 105 E, Manual of Instructions, furnish following statistics in SOBIR cases. (Break down into nationality groups, where practical.)

- a. Total cases referred by INS or other sources.
 - b. Total cases opened for preliminary investigation.
 - c. Total cases in which interviews conducted.
 - d. Identify cases in which intelligence recruitment or significant intelligence information was developed.
 - e. Furnish number and identities of security informants, potential security informants, and confidential sources developed under SOBIR program.
4. Visitors to Soviet Bloc Countries
 - a. How many communist-bloc visitors have come to your attention (estimate if necessary)?
 - b. How many have been interviewed? (break down by country.)

- c. How many have been approached for recruitment and of these, how many have been actually recruited?
5. Briefly summarize significant Cuban and Latin American matters (including any refugee problems attendant thereto and extent of Cuban aliens domiciled in territory). Cite acts of terrorism by Cuban refugees and show informant coverage in effect.
6. Briefly summarize significant Chinese Matters including estimated number of Chinese covered by area. In chart form, list all fraternal organizations, family associations, student and scientific groups and any known subversive organizations, showing membership and type and nature of informant or source coverage.
7. Briefly summarize significant Nationalities Intelligence Matters, identifying emigre and other nationalistically inclined groups in your territory which may engage in activities which are illegal or potentially embarrassing to U. S. Government particularly anti-communist elements which have a propensity for violence.
8. List by title and file number Soviet officials who have visited your territory since date of last inspection.

E. SECURITY INFORMANT PROGRAM

Beginning on separate page, set forth information regarding following (excluding racial informants):

1. Number of security informants compared to last inspection. (Show number dropped and reasons therefor, and number developed during period.) Break down by principal organization covered. Correlate with data set out in previous sections of this write-up.

2. Set out same information for potential security informants.
3. Set out same information for confidential sources on espionage and nationality intelligence matters.
4. Furnish separately number and symbol number of double agents and potential double agents (included in above figures) showing nationality field covered compared to last inspection.
5. Identify informants who have advanced to higher positions of responsibility in subversive organizations with which they are active since last inspection.
6. If your office is among 16 listed hereafter, advise what action has been taken to implement instructions in Bulets 9/4/68, 10/21/68 and Buairtels 9/22/69 and 10/19/69, captioned "DESECO": Anchorage, Baltimore, Boston, Buffalo, Cincinnati, Denver, Detroit, Honolulu, Los Angeles, Philadelphia, Phoenix, Portland, Sacramento, San Diego, San Francisco, and Seattle. List number of DESECO cases opened, number of these interviewed, how many designated as PSI - DESECO, and how many have been placed in contact with Soviet Bloc officials.

F. ACCOMPLISHMENTS IN SECURITY PROGRAM

1. Status of any security-type prosecutions or administrative-type proceedings such as hearings before the Subversives Activities Control Board in which your office is origin.
2. Set forth accomplishments since last inspection under following: (Emphasis on quality rather than quantity.)
 - a. Counterintelligence against Communist Party, USA.
 - b. Counterintelligence against New Left.

Security Survey

- 7 -

- c. Disruption of any other subversive group discussed in this survey.
- d. Accomplishments in espionage and related fields.

Comments of SAC requested.

4-F-G

A. BASIC REVOLUTIONARY ORGANIZATIONS

1.a. Communist Party (CP), USA
SF 100-11889
Bureau 100-3-23

There is one top functionary in the CP, USA of the Northern California District (NCD). He is ALBERT JASON LIMA, more commonly known as MICKEY LIMA, SF 65-1242.

<u>Organization</u> (By clubs and subunits where applicable)	<u>Membership now. # positive in parenthesis*</u>	<u>Membership last inspection</u>	<u>SIs & PSIs affording coverage & file #</u>	<u>Informant position in organization</u>
<u>SF County Clubs</u>				
Industrial	8	5	SF 413-S (134-8)	Member of SF CP County Committee Industrial Club
Mission	11	15	SF 1159-S (134-11)	Member of & treasurer of Mission Club
Fillmore	15	14	SF 1870-S (134-18)	Member of & literature director of Fillmore Club
			SF 2579-S (134-2376)	Member of & chairman of Fillmore Club, member NCD Committee & SF County Committee & Secretariate
			SF 2988-S (134-3649)	Member of Fillmore Club

* NO tentative identifications

SAN FRANCISCO INSPECTION
10/20/70
4-F-G
EOR/see

<u>Organization (By clubs and subunits where applicable)</u>	<u>Membership now. # positive in parenthesis</u>	<u>Membership last inspection</u>	<u>SIs & PSIs affording coverage & file #</u>	<u>Informant position in organization</u>
Political Defense, formerly Youth	5	18	SF 2466-S (134-1834)	Member of CP, reports on Political Defense
			SF 2988-S (134-3649)	Member of CP, reports on Political Defense
Cultural Club	4	0	SF 2988-S (134-3649)	Member of CP, reports on Cultural Club
Sunset Club	9	10	SF 1948-S (134-6)	Member of Sunset Club
Members At Large	3	5	SF 1421-S (134-15)	Member of CP
			SF 413-S (134-8)	Member SF County CP Committee
			SF 2988-S (134-3649)	Member of CP
Transport Club	13	13	SF 2466-S (134-1834)	Member Transport Club
			SF 1691-S (134-54)	Member Transport Club
<u>Alameda County Clubs</u>				
East Oakland Adult	1	5	SF 1986-S (134-347)	Member of CP
East Bay Industrial	7	14	SF 1986-S (134-347)	Member of Industrial Club

<u>Organization (By clubs and subunits where applicable)</u>	<u>Membership now. # positive in parenthesis</u>	<u>Membership last inspection</u>	<u>SIs & PSIs affording coverage & file #</u>	<u>Informant position in organization</u>
East Bay Warehouse	4	0	SF 1986-S (134-347)	Member of CP
			SF 2426-S (134-1687)	Member Alameda County Committee
Berkeley	14	19	SF 1986-S (134-347)	Member of CP
			SF 2903-S (134-3251)	Member of CP
			SF 2426-S (134-1687)	Member Alameda County Committee
			SF 2579-S (134-2376)	Member SF County Secretariate
Campus Workers	10	10	SF 2903-S (134-3251)	Member Campus Workers Club
Day	1	0	SF 1986-S (134-347)	Member of CP
Ghetto	9	13	SF 2426-S (134-1687)	Member Ghetto Club, member Alameda County Committee
Members At Large	7	3	SF 1986-S (134-1687)	Member of CP
			SF 2903-S (134-3251)	Member of CP
			SF 2128-S (134-697)	Member of CP
			SF 25790S (134-2376)	Member SF County Secretariate & Committee

<u>Organization</u> (By clubs and subunits where applicable)	<u>Membership now. #</u> <u>positive in parenthesis</u>	<u>Membership last inspection</u>	<u>SIs & PSIs affording coverage & file</u>	<u>Informant position in organization</u>
<u>Outlying Counties</u> <u>SF Division</u>				
Santa Clara County Palo Alto Club	5	5	SF 2466-S (134-1834)	Member of CP
San Jose Club	13	22	SF 2287-S (134-1046)	Member San Jose Club
Marin County	13	13	SF 2585-S (134-2341)	Member Marin County Club
Member At Large	1	1	SF 2585-S (134-2341)	Member of CP
Sonoma County	15	17	SF 2019-S (134-410)	Member Sonoma County Club
			SF 2119-S (134-706)	Member Sonoma County Club
<u>Outlying Counties</u> <u>Sacramento Division</u>				
Butte, Yuba, Sutter Counties Club	5	5	SC 54-S (SC 134-6)	Member of CP
			SC 72-S (SC 134-30)	Member of CP
Fresno, Tulare Counties Club	5	6	SC 52-S (SC 134-20)	Organizer of club and member NCDCCP Committee
	178	Totals 225		
NCDCCP Headquarters			SF 2797-S (134-2346)	Reports on
			PSI JAMES MC DONALD (134-5016)	
NCDCCP General			SF 2243-S (134-971)	Reports on

A. 1. b.

SOCIALIST WORKERS PARTY
Bureau 100-16 SF 61-380

<u>Organization</u>	<u>Size of Membership Now</u>	<u>Size of Membership Last Inspection</u>	<u>Top Functionaries</u>	<u>Informants</u>	<u>Informant Position</u>
San Francisco Branch	44 (44)	47	0	SF 2011-S (134-429)	Rank & file
				SF 3382-S (134-4712)	Reports on
				SF 3377-S (134-4819)	Reports on
Oakland-Berkeley Branch	50 (50)	38	0	SF 2050-S (134-188)	Reports on
				SF 2050-S (134-188)	Rank & file
				SF 2011-S (134-429)	Reports on
				SF 3382-S (134-4712)	Reports on
				SF 3377-S (134-4819)	Reports on

YOUNG SOCIALIST ALLIANCE
Bureau 100-427226 SF 100-43450

<u>Organization</u>	<u>Size of Membership Now</u>	<u>Size of Membership Last Inspection</u>	<u>Top Functionaries</u>	<u>Informants</u>	<u>Informant Position</u>
Berkeley YSA (BYSA)	40 (40)	40	0	SF 3382-S (134-4712)	Rank & file
				SF 2050-S (134-188)	Reports on
				SF 3377-S (134-4819)	Reports on
San Francisco YSA (SFYSA)	40 (38)	40	0	SF 2011-S (134-429)	Reports on
				SF 3377-S (134-4819)	Rank & file
				SF 2011-S (134-429)	Reports on
				SF 3382-S (134-4712)	Reports on
				SF 2050-S (134-188)	Reports on

A. Basic Revolutionary Organizations

1.c. Progressive Labor Party (PLP)

<u>Organization (By Clubs and subunits where applicable)</u>	<u>Membership now. # positive in parenthesis</u>	<u>Membership Last Inspection</u>	<u>Top Function- aries</u>	<u>SIs & PSIs</u>	<u>Informant Position in Organization</u>
Bay Area PLP	30 (21)	43	0	SF 2969-S	Rank & file member
				PSI JOHN GIBBONS	Reports on
San Jose PLP	15 (7)	Not in existence	0	LYNELLAN WATSON, PSI	Reports on

A. 1. c.

<u>Organization</u>	<u>Membership Now</u>	<u>Membership Last Inspection</u>	<u>Top Func- tionaries</u>	<u>SI's and PSI's</u>	<u>Position of Informants</u>
Revolutionary Union	350	120	0	SF 3169-S (134-4246)	Member and member of Weapons Committee
				SF 3289-S (134-4674)	Member of Central Committee
				SF 3379- PSI (134-4914)	Member and member of Weapons Committee
				SF 3352-S (134-4829)	Has been urged to join and start black collective
				SF 3386- PSI (134-4919)	Affiliated with RU front group
				SF 3364- PSI (134-4815)	RU Educ. Class and member of RU front group
				SF 3247-S (134-3962)	"Red Paper" correspon- dence Contacts of RU on national level
				PSI RONALD A. DUNKIN (134-5028)	RU Educ. Class
				PSI LINDA SIMPSON (134-3446)	Attempting to put in contac

A. 1. c.

<u>Organization</u>	<u>Membership Now</u>	<u>Membership Last Inspection</u>	<u>Top Func- tionaries</u>	<u>SI's and PSI's</u>	<u>Position of Informants</u>
				PSI GEORGE TAPPAN (134-4961)	Palo Alto Tenants Union (RU) Infiltrated
				Chicago Ad Hoc Committee Informants	Close contact with leader- ship

A l.d.

4 - F - G

<u>Organization</u>	<u>Membership</u>	<u>Identity of Sources With Files Numbers</u>	<u>Informant Position</u>
American-Russian Institute	Non-Membership	SF 1933-S (134-124)	Reports on
		SF 2272-S (134-899)	Reports on
		SF 2595-S (134-1704)	Reports on
		SF 2988-S (134-3649)	Reports on
		SF 2011-S (134-429)	Reports on
Guardian	Non-Membership	CSSF 33-X (134-5)	Reports on
		SF 1773-S (134-44)	Reports on
		SF 1933-S (134-124)	Reports on
		SF 1986-S (134-347)	Reports on
		SF 2011-S (134-429)	Reports on
		SF 2272-S (134-899)	Reports on
		SF 2466-S (134-1834)	Reports on
		SF 2585-S (134-2341)	Reports on
		SF 2595-S (134-1704)	Reports on

SAN FRANCISCO INSPECTION
 10/20/70
 4 - F - G
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<u>Organization</u>	<u>Membership</u>	<u>Identity of Sources With File Numbers</u>	<u>Informant Position</u>
		SF 2597-S (134-2356)	Reports on
		SF 2988-S (134-3649) /	Reports on
		SF 3192-S (134-4367)	Reports on
		CSSF 33-X /	Reports on
National Lawyers Guild	204 (204)	SF 2470-S (134-1773)	Reports on
		SF 3040-S (134-3664)	Rank and File Member
Northern California Committee For Protection of Foreign Born	Non-Membership	SF 1933-S (134-124)	Reports on
Northern Californians Against Repressive Legislation	Non-Membership	SF 2988-S (134-3649) /	Reports on
		SF 2011-S (134-429) /	Reports on
People's World	Non-Membership	All CP Informants	

4-F-G

A 2.a. Communist Party (CP), USA
SF 100-11889
Bureau 100-3-23

The Northern California District (NCD) of the Communist Party (CP) is comprised of 48 counties in central and northern California. The westernmost of these counties are in the San Francisco Division; the easternmost are in the Sacramento Division. Most of the CP activity in the NCDCP lies in the westernmost counties, there being only ten known CP members in CP groups in the Sacramento Division. The CP maintains an office in Rooms 410-11, 942 Market Street, San Francisco.

The CP continues to act as an organization, holding CP club, club chairmen and district meetings.

Principal activity in the CP in the NCD consisted of financing, preparation and distribution of literature reflecting the national CP line, especially the "People's World", the West Coast communist newspaper published in San Francisco, and activities relating to recruitment of new members, for example, the formation of the local Young Workers Liberation League.

Informants are members of most of the CP clubs in the NCD. Some of these informants are members of committees of the NCDCP. Also a number of them are officers in the various CP groups. The identity of the members of the CP in the NCD are obtained from these informants who report on activities of old members, transfers of members, recruitment of new members and cessation of activity on the part of others. Within a short time after it occurs, any change in the membership is reported. Since 4/1/70, as an example, the informants reported two deaths, 19 ceasing activity, 11 moving out of the district, three on leaves of absence, two resignations, one expulsion, four new recruits, five reactivations, and two transfers into the district.

It is felt that the informant coverage is adequate. It will be noted there are 20 informants who are members of the CP in the NCD and two informants who are not members but furnish information primarily concerning CP activity. It will be noted the informant ratio to membership is approximately one informant for each 8.5 members.

SAN FRANCISCO INSPECTION

10/20/70

4-F-G

EOR/see

4-F-G

When an informant reports on a new member in the NCD, a case is opened and assigned to secure background data, to report subversive activity, and to make a recommendation as to Security Index.

Source of funds are from dues, sustainers and assessments of members; from sale of literature; from proceeds of fund raising picnics, dinners, bazaars and similar affairs open to the public.

A.2.b.

The main activity of the Socialist Workers Party (SWP) and its affiliated youth group, the Young Socialist Alliance (YSA), since the last inspection has been working toward the withdrawal of troops from Vietnam. In this connection, they have been the motivating force behind massive demonstrations in San Francisco on 11/15/69 and 4/18/70 protesting U. S. presence in Vietnam. They have also sponsored a petition which resulted in a referendum to be voted on in San Francisco on 11/2/70 putting San Francisco on record as being opposed to the war. The SWP is also in the forefront of the Women's Liberation Movement, utilizing it as a means of attaining the appearance of their political candidates on college campuses to speak on the subject. When dealing with youth, SWP activity is carried on in the name of the YSA but as the YSA is completely controlled by the SWP, members who comprise a majority of the YSA membership the name utilized in public activity is irrelevant. Funds are derived from members' sustainers, literature sales, and outside solicitation of funds. Although constantly in arrears in payments to the National Office of the SWP and the YSA, they do not appear to have any financial crises at any time. Informant coverage is adequate at present but efforts will be made to develop additional coverage to provide for continuing coverage in the event current informants are discontinued for any reason. New members are identified by member informants. The membership of the SWP in this area is approximately 99 according to member informants. The membership of the YSA according to member informants is approximately 90.

A. 2. c.

RU publications describe RU as adhering to Marxist-Leninist-Mao Tse-tung thought and advocating necessity of armed revolution to destroy United States imperialism and establish dictatorship of proletariat. Members of leading body, Political Committee, state all members armed. At Central Committee meeting weekend of October 10 and 11, 1970, 75 delegates present and informant who was present estimates 75% to 80% advocated armed struggle now. RU going national and has started collectives in Northwest, Chicago area, Detroit, and in several major cities in East. Chief sources of funds are membership dues and profit from sales of publications. RU publishes three newspapers and has significant control over a fourth. Has published three issues of theoretical journal "Red Papers." RU concentrating on revolutionizing of workers, college and high school students, looking toward formation of national Marxist-Leninist Party capable of seizing control of the United States. RU active in strikes around the Bay Area, college demonstrations, and in community affairs, tenants unions, welfare, and education. Increased emphasis being placed on weapons training and affinity groups being organized for action in demonstrations.

RU members are identified mainly through live informant coverage; fisurs and, where possible, photo coverage of known RU meetings. Additional names of RU membership is self-identification in RU newspapers, and coverage of RU communications by SF 3247-S. Estimate of RU membership in Bay area based upon figure quoted to member informant by RU Chairman in 9/70. Rapid membership increase attributed to heavy emphasis on recruiting during past year, less insistence on ideological purity in recruitment and increased recruit potential caused by breakup of SDS. While present informant coverage considered adequate on overall RU activity, it is felt member informant coverage should be increased on area basis to identify individual members so they may be placed on SI.

A.2.c.

The Bay Area Progressive Labor Party (BAPLP) membership is made up primarily of individuals in their early twenties. The organization in the past held and is presently holding classes on Marxism for potential members and for further education of old members. The BAPLP is not holding as many public forums and open meetings as it has in the past. The BAPLP is active in the Students for a Democratic Society (SDS) at the University of California at Berkeley, San Francisco State College in San Francisco, and Merritt College, Oakland, California. The BAPLP has a number of SDS sympathizers who have aligned themselves with the PLP line and become BAPLP candidate members. The PLP is concentrating its main efforts on student activities. This is the area where they hope to recruit new members. The BAPLP membership is estimated to be between 45 and 50. There has been no significant change in membership since the last inspection. Some members have moved out of the area and several have quit the Party. The Party is hopeful of gaining new members primarily from radicals on campus and is having some success. Efforts are being made to secure additional member informant coverage in the BAPLP. BAPLP membership is determined through confidential informants. ~~The BAPLP checking account at Wells Fargo Bank is now unavailable without issuance of a subpoena duces tecum.~~

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of blank name

A 2.d.

The San Francisco chapter of the National Lawyers Guild (NLG) operates a legal referral service and its members have provided legal defense for Communist Party members as well as anti-draft and racial matters and are presently taking a participatory interest in the Soledad Brothers by providing counsel for imprisoned felons. Funds are derived from membership dues.

The Northern California Committee For Protection of the Foreign Born is in effect dormant, has only \$30 in its bank account and holds no meetings or functions. Unless an immigration proceeding or legislation dealing with immigration policy arises, the organization will remain dormant. Funds are no longer being solicited.

Northern Californians Against Repressive Legislation (NCARL), formerly known as the Northern Californians to Abolish the House Internal Security Committee, changed its name to broaden the scope of its activity. Its main activity is the dissemination of literature attacking specific legislation. Meetings are held primarily to solicit help in mailings and to discuss progress in influencing citizens and members of Congress. Funds are derived from public donations solicited in mailings.

The American-Russian Institute (ARI) exists mainly as a distribution center for the dissemination of Soviet propaganda throughout Northern California and as a contact point for Soviet exchange students, visiting Communist dignitaries, and other visitors from behind the Iron Curtain. Funds are raised by monthly contributions and a large fund raising dinner held annually on the anniversary of the Russian revolution.

The "People's World" (PW) newspaper has two or three fund-raising affairs yearly and numerous small meetings such as breakfasts for fund-raising purposes. Its annual fund drive and subscription drive quotas are usually met.

The Guardian has not held any public meetings during the last year. In April, 1970, Guardian workers in New York revolted against Guardian policy and began publishing a "Liberated Guardian". The Guardian no longer has a representative in the San Francisco area whereas the "Liberated Guardian" lists approximately seven individuals on its Bay Area staff but has held no meetings of a public nature.

B. NEW LEFT

1.

Organization (by club or subunits where <u>applicable</u>)	Size of member- ship <u>now</u>	Size of member- ship last <u>inspection</u>	Key Activists, if any, by name and <u>file No. *</u>	Identity of SIS and PSIs afford- ing coverage and file <u>No.</u>	Informant position in organization. If not active <u>so state</u>
SDS/WSA Regional and West Coast	16	11		CSSF 3060-S 134-4080 LYNELLEN WATSON, PSI 134-4971 CSSF 3407-S 134-4956	Region Delegate Region Delegate National Interim Committee
UC Berkeley WSA Chapter Suspended from Campus until January, 1971	30	45 max.		PSI ANDREW ALLEN 134-4809 MARK ANTHONY GALLAGOS 134-4944	Leader (lives in Region head- quarters) Member and officer of PLP
				On campus sources of UCPD	
				SF 3410-PSI 134-4811	Member
				SF 3298-S 134-4404	Member
				CSSF 3407-S 134-4956	National Interim Committee

Organization (by club or subunits where <u>applicable</u>)	<u>Size of Member- ship now</u>	<u>Size of member- ship last inspection</u>	<u>Key Activists, if any, by name and file No. #</u>	<u>Identity of SIs and PSIs afford- ing coverage and file No.</u>	<u>Informant position in organization If not active so state</u>
SDS-WSA San Francisco State College	35	60		CSSF 3060-S 134-4080 SF 3165-S 134-4312 SF 2969-S 134-3501	Regional Rep. Member and Associate Conventions Delegate
SDS/ Stanford All activity carried on off campus since September, 1970, by RU and White Panthers. No SDS meetings held and SDS not registered	0	27		RONALD DUNCAN, PSI 134-5028 STEPHEN GAITHER, PSI 134-4827 SF 3352-S 134-4829	RU Member Former Member Associate RU and PLP was SDS/WSA
San Jose State College Chapter (RAM faction in 1970 became Bill Haywood Collective of RU)	6	10		SF 3289-S 134-4674A PSI LYNELLEN WATSON 134-4971	Member Regional Rep.

Organization (by club or subunits where <u>applicable</u>)	Size of member- ship <u>now</u>	Size of member- ship last <u>inspection</u>	Key Activists, if any, by name and <u>file No. *</u>	Identity of SIs and PSIs afford- ing coverage and file <u>No.</u>	Informant position in organization If not active <u>so state</u>
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SDS/WSA
Laney
Junior
College -
Oakland.
No chapter
has existed
since
February,
1970
attempts
considered
to revive

0

0

PSI
GENE
CASELLA
134-5040A

Will
become
member if
chapter
formed

* There are no key activists members of campus chapters of SDS.

Note at time of last inspection San Francisco had SDS chapters at California State at Hayward, San Francisco City College, Oakland Merritt College, Humbolt State College, Foothill College and San Mateo College, all of which have ceased to exist.

<u>Organization</u> (by club or subunits where applicable)	<u>Size</u> of member- ship now	<u>Size</u> of member- ship last <u>inspection</u>	<u>Key</u> Activists, if any, by name and <u>file No. *</u>	<u>Identity</u> of SIs and PSIs afford- ing coverage and file <u>No.</u>	<u>Informant</u> position in organization. If not active <u>so state</u>
Bay Area Peace Action Council	non- member- ship	0		SF 2011 ⁵ 134-429	Reports on
				SF 3377-S 134-4819	Reports on.
Student Mobiliza- tion Committee	non- member- ship	0		SF 2011-S 134-429	Reports on
				SF 3377-S 134-4819	Reports on
				SF 2988-S 134-3649	Reports on
				SF 3382-S 134-4712	Reports on
Venceremos Brigade (San Francisco Bay Area)	262	0		SF 2231 134-970	Leadership
				SF 2640 134-2388	Reports on
				SF 3176 134-4272	Reports on
The Newsreel (San Francisco Division)	15	20		SF 3165-S 134-4312	Member
				SF 3259-R* 157-1204 Sub 4	
				SF 3215-R* 157-1204 Sub 1	

Organization
(by club or
subunits
where
applicable)

Size
of
member-
ship
now

Size
of
member-
ship
last
inspection

Key
Activists,
if any, by
name and
file No. *

Identity
of SIs
and PSIs
afford-
ing
coverage
and file
No.

Informant
position in
organization
If not
active
so state

JFK Act 6 (3)

Reports on

134-4246

SF 3394-S*

100-63861

Sub 2

B. 1.

<u>Organization (By clubs and subunits where applicable)</u>	<u>Member- ship now</u>	<u>Member- ship last inspection</u>	<u>Key Activists</u>	<u>SIs & PSIs</u>	<u>Informant position in organizatio</u>
White Panther Party, Berkeley	10 - 15	0	0	SF 3394-S* PSI JULIAN E. SCHAFER (SF 134-4954)	None Not a member
White Panther Party, Marin County	7 - 10	0	0	0	None
White Panther Party, Palo Alto	8	0	0	RON DUNKIN, Non-member PSI (134-5029) SF 3352-PSI Non-member (134-4829)	

B.1.

<u>Organization</u>	<u>Member- ship now</u>	<u>Member- ship last inspection</u>	<u>Key Activists</u>	<u>SIs & PSIs</u>	<u>Informant position in organization</u>
Youth Inter- national Party (YIP) aka "Yippies"	2 - 6	0	0	PSI DAVID REID ARIE (SF 134-4911)	Reports on
				PCI DONALD LAKE (SF137-5642)	Reports on
				SF 3394-S* (SF 100-63861)	Reports on

B. NEW LEFT

2. Organizations:

The last inspection coincided with the famous Students for a Democratic Society (SDS) June 1969 Chicago Convention in which the then SDS leadership attempted to expell the followers of Progressive Labor Party (PL). PL controlled the major local campus SDS chapters at the University of California, Berkeley, and San Francisco State. Anti-PL chapters of SDS existed for a few months at Stanford University and San Jose State College, but as SDS became less massive as an organization controlled by PL these members drifted into groups such as the Revolutionary Union (RU). Lack of communication and organization, as well as a National SDS debt, constant appeals for funds, and continued ridicule by RU and Weatherman groups have all contributed to further disintegration of SDS. Demands indigenous to the Student Movement have been ignored to concentrate on PL's program of "Build a Worker-Student Alliance" (WSA). At a western regional conference held at Berkeley, California, September 26, 1970, SDS attempted to re-organize with delegates from throughout the West. Some criticism of PL was voiced but PL continued to dominate, calling for a demonstration at San Jose, California, November 3, 1970, in support of striking auto workers. SDS/WSA distributes, when funds available to print it, "New Left Notes", published at Boston but more regularly distributes "Challenge", publication of PL. SDS/WSA Western Regional Conference was only able to raise \$150 toward \$5,000 National Office debt.

The Bay Area Peace Action Council (BAPAC) is a coalition of various anti-war groups in the San Francisco area whose sole purpose is the immediate withdrawal of all U. S. troops from Southeast Asia. BAPAC is not a membership organization, however, the Socialist Workers Party (SWP) is a controlling force behind it, simply because numerous SWP members attend BAPAC meetings regularly. Funds are derived from public solicitations.

The Student Mobilization Committee (SMC) is a national organization of high school and college students whose basic aims are the immediate and unconditional withdrawal of all U. S. troops from South Vietnam, abolition of the draft, self-determination for Vietnam and Black America, and

Constitutional rights for GI's and high school students. The majority of the individuals functioning in a leadership capacity in the SMC are members of the Young Socialist Alliance (YSA) and SWP. Funds derived from sale of buttons at demonstrations, public donations and support from YSA and SWP.

The Venceremos Brigade (VB) of the San Francisco Bay Area is affiliated with the national organization headquartered at New York, New York, and is principally active in the recruitment of individuals for the VB sponsored contingents to Cuba. There are no local independent publications of the VB. Confidential informants continually report a lack of funding and finances. There are no key activists directly affiliated with the VB.

The Newsreel in San Francisco was established in May, 1968, as a branch of the New York Newsreel, a radical film-making group. Articles of Incorporation, pursuant to non-profit corporations under the laws of the State of California, number 58415, were filed in the Office of Secretary of State, California, November 5, 1969. The Newsreel makes and distributes films that depict ideas and information that the Government and the news media tend to choose to ignore. In the spring of 1970, the Newsreel began work on two new films, one on the history of labor and the other on the history of the women's liberation struggle. Persons who have had some activity in the SDS and related groups in other parts of the United States have been some of the leaders of the Newsreel in San Francisco.

B.2.

The White Panther Party (WPP) in Berkeley is a small group which seems to center its activities around drug usage and communal living activity. The group has never been identified as a significant force in the radical scene at Berkeley. There are no Key Activists in the Berkeley group. Recently, the WPP have been "hangers on" at the office of the underground newspaper "Berkeley Tribe".

The WPP of Marin County began in May, 1970. The two leading figures among its 7 - 10 members are DENNIS MARNELL and RICHARD LORD STARK, both Priority I Security Index subjects. This group lives in communal style. To date, the group's major activity is the free distributing of food purchased with food stamps.

Activities of the WPP in Palo Alto currently are being directed primarily by Revolutionary Union leaders who live in communes with the WPP members. The activities have been limited to collecting weapons and demonstrating around Lytton Plaza public meeting controversies. WPP has announced its intention to "blow up a pig station" but no action along these lines have been evident to date.

B.2.

Youth International Party (YIP) was formed in New York in early 1968 by Key Activists JERRY RUBIN, ABBIE HOFFMAN, STEWART ALBERT, and others. Purpose of organization was to disrupt the 1968 Democratic Convention. There has been virtually no San Francisco area YIP activity and YIP was only heard from when RUBIN or HOFFMAN were passing through this area. Then, in mid September, 1970, two girls, CATHY PEARL and PAMELA GARRETT, publicly announced that they were coordinating efforts to establish a San Francisco chapter of YIP. These two persons previously unknown to San Francisco indices. On 9/25/70, ABBIE HOFFMAN spoke to a group of about 70 persons at a meeting in San Francisco which was arranged by PEARL and GARRETT for the purpose of promoting a YIP chapter. Investigation of these two persons and the results of their initial efforts are under way. No known offices or publications at this time. No local Key Activists known to be involved.

B. NEW LEFT

2. Key Activists:

The San Francisco Office has the following five key activists:

STEWART ALBERT	100-56066
TOM HAYDEN	100-56566
LINDA MORSE	100-61986
ROBERT SCHEER	100-46832
CARLTON GOODLETT	100-26778

Coverage of these subjects is aimed at determining their activities in advance. This is done through neighborhood sources to record contemplated movements; through employment sources, when the individual is regularly employed; through bank sources to ascertain details of income, particularly the sources thereof; through targeting informants who are in or report on the groups in which the particular key activist is associated. These informants are impressed with the importance of developing a working relationship with key activists so they can know and report such activities and can also be in a position to inquire and ascertain the plans and the thinking of these key activists.

Don't excise
 A prime source of information on the movement of these people is the increasing use of electronic coverage by this office. ~~Although none of these five key activists is covered directly, the indirect coverage afforded is a helpful adjunct to our other sources on these people.~~

Publications:

The "Leviathan" newspaper, formerly printed in New York City, has moved its editorial offices to San Francisco. Since its arrival two issues have been printed. One dealt with a history of Cuba and the Cuban revolution and the other dealt with a variety of radical topics, dealing principally with the Palestinian liberation movement. The newspaper is thought to be in dire financial straits as ten days ago their telephone was disconnected.

"Ramparts", a monthly magazine, has had as its principal backer EDGAR LOCKWOOD. He recently withdrew financial support in protest over the magazine's radical tone of late. The last issue pleaded for financial assistance.

The three major weekly underground papers are the "Berkeley Barb", the "Berkeley Tribe", and the "Good Times". The "Tribe" for the past month has pleaded for financial aid to keep going. The "Barb" is the only one that is a financial success. While reporting news of interest to activists in the New Left, the "Barb" can sustain itself by printing nude pictures, running several pages of sexual want-ads, as well as advertisements from local movie houses that feature erotic and pornographic movies.

B. NEW LEFT

3.

New Left subjects in this division have been known to have foreign contacts and/or have traveled abroad as individuals or in groups, particularly in the case of the Venceremos Brigade. In this regard, through informants, confidential sources, neighbors, and in some cases relatives, have enabled us in many instances to be aware of their plans prior to actual departure from a country. Since the VB is an on-going organization, three informants, all of whom traveled to Cuba in early contingents, have remained active in the organization and one is in a leadership capacity. In addition, electronic coverage has again proven its worth, particularly in the case of key activist ROBERT SCHEER, candidate for U. S. Senator, who has traveled to North Vietnam, Red China and Algeria, where he has met with ELDRIDGE CLEAVER and other militants in the Black Panther Party.

B. 3.

Two RU members attended conference in support of Palestinian liberation in Algiers in December, 1969, and one went on to visit Al Fatah camps in Jordan. Upon return to the United States started Palestine Solidarity Committee in Bay Area. These two also paid long visits to Chicom Embassy in Paris. RU founder LEIBEL BERGMAN visited Canada in September, 1970, and upon return deposited \$3,000 check in his account drawn on California - Canadian Bank. Foreign travel of RU representatives is covered through member informants and through Ad Hoc Committee informants in Chicago.

B.

4. There are presently 31 Priority I Security Index subjects being investigated as New Left terrorists under the Weatherman character.

5. There are 557 cases being investigated under New Left Movement - Violence character in accordance with instructions set forth in SAC Letter 70-18 (C), dated April 7, 1970.

6. (1) Of an estimated several thousand communes in Northern California, only a small percentage of these may be classified as political collectives organized for the purpose of revolutionary violence. The difficulty lies in identifying these political collectives with the scant cooperation received by the FBI and local police agencies from the alienated youth sub-culture which engages in this communal living.

Extended coverage has been given to those addresses wherein the residents have been identified as members of the Weatherman faction of Students For A Democratic Society (SDS) for the purpose of identifying members and locating fugitives. Addresses which turn up in leads from other offices are given short term coverage for the purpose of locating fugitives and evaluating the nature of the commune.

The addresses of communes which have been given extended coverage over a period of several months because they are considered to be political collectives are as follows:

2217 1/2 Mc Gee Street, Berkeley
 2611 Mc Gee Street, Berkeley
 5675A Telegraph Avenue, Berkeley
 2434 Warring Street, Berkeley
 2642 Dana Street, Berkeley
 2917 Ashby Avenue, Berkeley
 Star Route 23, Willits, California
 364 Sanchez Street, San Francisco
 464 Alvarado Street, San Francisco
 395 - 397 Dolores Street, San Francisco
 969 & 977 Fell Street, San Francisco
 671 Castro Street, San Francisco
 711 South Elmhurst Street, Oakland

(2) The number of cases opened on individuals, license numbers, and addresses during the following months in 1970 were as follows:

May	23
June	57
July	202
August	85
September	132

(3) The total number of cases pending on individuals, license numbers, and addresses at the close of each month in 1970 are as follows:

May	65
June	168
July	140
August	146
September	165

(4) The following informant coverage was used against the following communes and objectives:

SF 3296-S*	2220 Byron Street, Berkeley
SF 3370-S*	2217 1/2 Mc Gee Street, Berkeley
SF 3394-S*	"Berkeley Tribe"
CI 761-S	Star Route 23, Willits, California
SF 3294-PSI	Recontacting BERNARDINE DOHRN and JEFF JONES
SF 3352-PSI	Recontacting BERNARDINE DOHRN and JEFF JONES
SF 3392-PSI	Recontacting BERNARDINE DOHRN and JEFF JONES
PSI ROSEMARY EARLS	Hayward Collective
SF 3176-S	Venceremos Brigade
SF 2231-S	Venceremos Brigade
SF 2640-S	Venceremos Brigade
Former NY 4661-S	Venceremos Brigade
PSI CHARLES WOODSON	Venceremos Brigade
DOMONICK A. ALBANESE, Racial Source	1360 - 80 Howard Street, San Francisco

(5) New Left violence and terrorism in the San Francisco Division since May, 1970, has followed a trend from mob action on campus to off-campus bombings by terrorist groups.

During May, 1970, the final series of the Spring, 1970 campus demonstrations occurred on the campuses at Berkeley and Stanford. June and July, 1970 brought a number of bombings and attempted bombings against off-campus institutions of the establishment. It appears that several groups other than Weatherman participated in these bombings as Weatherman communication was only received regarding the bombing of the Hall of Justice in Oakland, California, on July 30, 1970.

The months of August and September, 1970, were unusually quiet with no demonstrations or bombings. It was not until the fall offensive announced by BERNARDINE DOHRN in the fifth communication from the Weatherman Underground on October 6, 1970, that a new series of bombings began.

The October 7, 1970 bombing of the San Rafael Courthouse was claimed by the Weatherman and it appears that the other attempted bombings and bomb threats came from terroristic groups which responded to Weatherman's call for a fall offensive.

7. In response to Bureau teletype, dated April 17, 1970, the San Francisco Division advised by teletype dated April 20, 1970, that an additional 28 Agents would be needed with an additional seven Agents for servicing of sophisticated coverage to implement the intensified investigation against New Left violence. In our teletype of April 20, 1970, it was indicated that the peak number expected to be assigned to these investigations was 46.

As of June 15, 1970, a New Left Violence Squad was set up in this office consisting of 24 Agents, broken down as to 17 Headquarters Agents and seven Resident Agents, of whom four were exclusively assigned to the handling of New Left extremist matters. One additional Agent is on transfer to the New Left Violence Squad for a total of 25.

Based on current available manpower and the present investigative demands on this office, it is believed that the Bureau program of intensification against the New Left has been implemented up to this time. However, in view of the new Bureau jurisdiction of arson and bombing matters and the tremendous number of individuals in the San Francisco Bay Area who have accepted the hippie culture and way of life among whom are the New Left extremists and fugitives, the task of locating, identifying, and apprehending these individuals thus poses an extremely difficult challenge.

By airtel, dated September 30, 1970, the San Francisco Division has asked for an additional 26 Agents. Of this number five will be assigned to the New Left Violence Squad, five will be assigned to the squad handling the Venceremos Brigade, six will be assigned to the squad handling the Revolutionary Union, and ten will be assigned to handle the additional work load in the racial field.

C. SECURITY INDEX

1. <u>NO. OF SECURITY INDEX SUBJECTS</u>		<u>NO. LAST INSPECTION</u>	
	1335		1150
a. Priority I	129		84
Priority II	207		170
Priority III	999		896
b. CP, USA	<u>PI</u> 28	<u>PII</u> 71	<u>PIII</u> 513
RU/pro- Chicom	25	3	84
SWP	9	10	165
SDS	18	10	42
ANA/ ANA/VB	17	12	24
PLP	3	10	77
SNC	00	1	0
MIS.	1	2	18
NOI	3	2	9
BPP	12	61	18
BNT	5	18	10
BSU	0	1	00
CUBAN/ Pro-Cuban	1	4	27
WWP	1	0	11
WPP	2	1	1
RUS	3	0	0
YWLL	10	1	0
AWC	0	0	4
JFG	0	0	3
SPL	0	0	3
PRN	1	0	0

2. Security Index Subjects for whom photographs are not available:

PRIORITY I:

0

PRIORITY II:

BOOKER, BELINDA	157-3899
DAWKINS, BONITA ANGELL	157-4310
DOUGLAS, VALERIE	157-3148
JACKSON, PAULINE RAE	157-3698

PRIORITY III:

BLACK, YVANDA	100-65409
CHAROUS, MARGARET BURG	100-61517
DAVIS, MARK CANTERBURY	100-65900
FROMER, JONATHAN JOSEPH	100-47288
HARPER, CAROLYN DENISE	100-65324
MC FADDEN, ROSEMARY	100-62582
POLIN, NANCY BESS	100-57216
SNYDER, LAWRENCE FREDERICK	100-63357
SWANSON, RUTH ANN	100-63241
TAUB, EDWARD LAURENCE	100-65929
WARD, JOSEPH SUPRGEON, JR.	100-64803

Security Index Subjects on whom photographs are over
10 years old: (Total 74)

			<u>Date of Photo:</u>
ANDERSON, CARL THOMAS	100-30474	PIII	1958
AUSTIN, CHARLOTTE	100-44171	"	1959
AUSTIN, JOHN	100-44170	"	"
BELTRAM, WILLIAM	100-24738	"	1958
BLACK, GLADYS GLENDA	100-25918	"	1957
BRODSKY, ADELAIDE HORENSTEIN	100-41006	"	1959
CHILDERS, WILFORD WILLARD	100-24785	"	1958
COLEMAN, ESMOND HORACE	100-27289	"	1959
CRAIG, ANNA EDITH	100-23486	"	1957
DODDS, ROSE MENDELSON	100-28422	"	1959
DOYER, FRED G.	100-2806	"	"
DRAKE, NANCY SCOTT	100-37270	"	"
DRUCKMAN, BERNARD Z.	100-36792	"	"
EDMUND, FRANCES ELIZABETH	100-23133	"	"
EDWARDS, HODEE	100-13669	"	1947
ELBERT, BELLE	100-27362	"	1958
ELDRIDGE, RICHARD ORVILLE	100-19776	"	1959
FLATO, LUCILLE	100-21607	"	1954
FONTAINE, HAROLD ROY	100-29622	"	1958
FORMAN, JOANNE LEIGH	100-43378	"	1952
FOX, ELSIE MARY	100-20596	"	1957
GILBERT, MARIE LOUISE	100-18761	"	1943
GINN, JIMMIE	100-33876	"	1959
GLIKSOHN, HENRY	61-406	"	1958

Security Index Subjects on whom photos are over 10 years old (cont'd)

Name	File No.	Priority	Date of Photo
GRAHAM, FRIEDA	100-37081	III	1954
HAMBURG, ALICE	100-34597	"	1959
HANSON, ISABELLA	100-42675	"	1959
HARJU, WALTER ARNOLD	100-16351	"	"
HARRIS, CHARIS WILSON	100-27220	"	"
HARRIS LAURENCE PAUL	100-32547	"	"
HEGARTY, DOROTHEA HAVEN	100-38882	"	1956
HIPOLITO, ROBERTA H.	100-26102	"	1959
HOWARD, KENNETH WILSON	100-27346	"	1957
JENNINGS-WILLIAMS, LILLIAN	100-23963	"	1956
JENSEN, CLAIR ROSE	100-2779	"	1959
JOE, WING-GONG	105-4436	"	1958
JOHNSON, JOSEPH JR.	100-20986	"	1959
KALMAN, BERNICE	100-26583	II	1958
KAYE, GEORGE	100-13477	III	1959
KING, LEOMA A.	100-19314	III	1959
LAMPEL, ESTHER	100-36556	"	1959
LEE, EDWARD PRESTON	100-487	"	"
LEGERE, BENJ. JOSEPH	100-25472	"	1953
LEUNG, YORK-KUK	105-5407	"	1955
LEWIS, BARBARA MAE	100-19418	"	1957
LOUGHBORO, LORENA	100-28921	"	1958
MAAS, BETTY DORIS	100-39356	"	1959
MAAS, EVA LORETTA	100-26070	"	"
MARTIN, BARBARA LEE	100-34159	II	1956
MC MURRAY, MARGARET E.	100-20716	III	1959
NOYES, GERTRUDE ELIZ.	100-52769	III	1949
PANTTILA, EDITH	100-36263	III	1953
PELOQUIN, CHARLES JOS.	100-30715	"	1959
PELOQUIN, RUTH SOPHIE	100-21768	"	"
ROBERTSON, FREDERICK G.	100-37718	"	1958
ROBERTSON, JUNE	100-31195	"	"
ROGERS, CHARLOTTE ALLEN	100-50212	"	"
ROUDEBUSH, HARRIET	100-18295	"	1959
SCHNEIDERMAN, LEAH	100-21084	"	1958
SHAPIRO, LUDMILLA NIKOLAEVNA	65-5648	"	1956

Name	File No.	Priority	Date of Photo
SHAPOVALOV, MARY ISABELLA	100-34164	III	1959
SNYDER, LENA	100-45124	"	"
STACK, MARCELLA	100-561	"	"
STEIN, RACHEL	100-42439	"	1957
STEIN, TILLIE	100-41409	II	"
STONEHAM, LORAIN WILSON	100-30899	III	1959
SZEGO, PETER ANDREAS	100-32969	I	1959
TOMPKINS, GWENDOLYN BOHNING	100-23787	III	1955
TUOMINEN, URHO PETER	100-37533	"	1959
VICKLAND, HARRIET H.	100-30565	"	1956
WILLIS, ALLEN JOHN	100-30085	"	"
WILLIS, LILLIAN BENDER	100-29679	"	1955
WIRTA, FRANCES GORGETTE	100-30246	"	"
WONG, REBECCA	100-33076	"	1959

3. There are no Security Index cards tabbed missing.
4. Priority I cases are reopened every 90 days (May, August, November, and February) for verification of residence and employment. Reports are written on these subjects annually. Reports on Priority II and III have been suspended and these cases are not reopened for verification of residence and employment. However, they are reopened when information is received that requires investigation.
5. Reserve Index A and Reserve Index-B are maintained alphabetically. In accordance with SAC Letter 68-11 dated 2/13/68, the reopening of RI-A and RI-B cases has been suspended for an indefinite period. These cases are reopened only when information is received that requires investigation.
6. GEORGE WALTER HOSSELKUS, 61-629, is only Security Index subject carried as disaffectee from Soviet and Soviet-bloc country. (Assigned to SA RICHARD J. MC MULLEN)

D. ESPIONAGE AND RELATED MATTERS

1. Espionage and related matters are handled on Squad 8, which is composed of a supervisor, 17 agents in headquarters, and 4 resident agents. As of 10/12/70, the case load was 742 cases. In addition to Espionage and Internal Security responsibilities dealing with the Soviets, Chinese and the Satellites, this squad also handles various nationality groups, such as the Arabs, Iranians and Yugoslavs, and also handles the investigation of the Revolutionary Union (RU), which is the largest Maoist-Marxist-Leninist organization in the Bay area openly espousing the overthrow of this government by force and violence and which is discussed elsewhere in detail. This squad also handles Mexican-American matters which are in their relative infancy but appear to be trying to follow the path of the blacks in their efforts to obtain more recognition for their problems. The foremost tasks presently facing this squad in their order of importance are:

- (1) Coverage of the Soviet Consulate, which is in the process of being established;
- (2) Coverage of the RU;
- (3) Coverage of the Chinese, which has taken a new turn subsequent to the Chinese government policy now of going international and its recognition by Canada and the contemplated establishment of a Chinese Communist Consulate in Vancouver;
- (4) Coverage of Mexican-Americans;
- (5) Coverage of Soviet students (there are 7 in the Bay area);
- (6) Coverage of nationality groups, such as the Arabs, Iranians, Yugoslavs, Cubans and South Americans, and
- (7) Fisur coverage of other Soviet Intelligence officials visiting this area, handling cases from other offices and satellite programs and illegal agent programs.

With respect to the Inspector's comment on priorities, I would like to suggest that serious consideration be given to setting out priorities on situations before the fact rather than waiting until the problems have become so serious. Specifically it is believed that the following serious and important matters

now basically in their infancy in San Francisco should receive greater emphasis in determining the present overall Bureau priorities.

(1) The Soviet Consulate. Four officials have now arrived, including the Consul General Designate and the Vice Consul Designate, and have obtained house-keeping apartments. All indications are they are here to stay, to be augmented to 20 - 30 families when they locate their space. Three of the four officials are known KGB and this fact should certainly be meaningful to us. Furthermore, in no time in this country's history have our students, scientists and men in the Armed Forces let their moral standards deteriorate to such a low degree. Certainly the Soviets will capitalize on this deterioration. In addition, the San Francisco Peninsula area is one of the most important centers of electronic and scientific research in the United States.

(2) Coverage of Chinese Espionage. Within the past week Canada has recognized Communist China and information indicates that a Chinese Communist Consulate will be opened in Vancouver. Already we have seen contacts between pro-Chinese Communist elements in San Francisco and New China News Agency personnel in Vancouver. This, coupled with the recent indication that Communist China is now ready to come out of its shell and now concentrate on improving its international position, will cause greatly increased activity in the Chinese field in this area.

(3) The Revolutionary Union (RU), which was only founded in 1968, has grown from 1969 to 1970 from 120 to 350 members, according to estimates given by its Chairman in 9/70. The development of the RU had closely paralleled recent directives from the CCP of China for Marxist-Leninist organizations outside of China, as furnished by CIA, and during the past six months has assumed a national posture with development of collectives in the mid-West and East. At the Central Committee meeting within the past week, 70 to 80% of the delegates favored armed revolutionary struggle now.

(4) Mexican-Americans. This field is in its infancy but could prove serious inasmuch as revolutionary organizations, such as the white radicals, are making determined efforts to revolutionize and recruit within the Spanish-American community.

2.	<u>Soviet Student</u>	<u>File Number</u>
	VADIM YEVGENYEVICH GOLOVANOV	105-18070
	VLADIMIR ALEKSANDROVICH KANISKIN	105-26334
	YURIY ADAMOVICH MALEVICH	105-26335
	VLADIMIR BORISOVICH YEZEROV	105-26368
	YURIY PETROVICH PLOTNIKOV	105-26445
	ERAZM MIKHAYLOVICH OMELYANOVSKIY	105-26454
	VITALITY YEVGENYEVICH LYAMOV	105-26489

3. SOBIR
- a. 413 referred
 - b. 89 cases opened
 - c. 20 interviewed
 - d. Intelligence Information Obtained:

<u>Title</u>	<u>File Number</u>
JIRI SEHNAL	105-24711
SYLVIA SEHNAL	105-24712
ISTVAN KADAR	105-24893
ARTHUR RACHWALD	105-25232
ANNA RACHWALD	105-25234
FRANTISEK ZITKO	105-25235
ANTONIN HANAK	105-25164
KLAUS LANGNER	105-22546
EVA NOSKOVA	105-25179
JAN PARTYKA	105-25537
STANISLAW SIKORSKI	105-25165
KAREL SILER	105-25481
MIROSLAV BENDA	105-24719

e. There has been one SI developed as a direct result of the SOBIR program. SF 3339-S, by letter dated 3/6/70, was designated a Bureau-approved SI, UACB, SF file 134-4442.

4. Visitors to Soviet Bloc Countries

a. Approximately 3000

b. Interviews:

Albania -	0
Bulgaria -	1
Czechoslovakia -	17
East Germany -	36
Yugoslavia -	10
Hungary -	14
Mongolia -	0
Poland -	11
Romania -	1
USSR -	14

c. Of the above interviews there was one recruitment approach and no recruitments.

5. Cuban and Latin American Matters

Cuban Matters

There are approximately 700 Cuban refugees residing in the San Francisco Bay area. There are no acute refugee problems involved.

There has been no reported organized activities among the Cuban refugees in recent years and anti-Castro activities in this area appear to have ceased.

Concerning informant coverage within the Cuban colony, ~~the activities within this group has not been sufficient to qualify individuals as security informants or potential security informants on a continuing basis.~~ However, adequate coverage is provided by approximately 12 Foreign Nationality Sources - Cuban. This coverage is adequate and will be implemented should any activities flare up in this field.

Mexican-American Militancy

The San Francisco area, with its large numbers of Spanish-speaking residents (90,000 to 100,000 in San Francisco), is becoming one of the centers of the developing militancy of this group.

Delete only 12 ->

As of the present, the most important local group is LOS SIETE DE LA RAZA (The Seven of the Race), aka (SF file 100-63425). This group was established in May, 1969, for the purpose of obtaining adequate legal counsel for the seven Latinos charged with killing a San Francisco Police Officer on 5/1/69. The group was quickly taken over by militant, radical Latinos who have guided it into more radical and militant channels, with close ties to such groups as the Black Panther Party, Revolutionary Union, Youth International Party, etc. It has a newspaper, "BASTA YA," and has expanded its activities into such "community-oriented" work as a "People's Clinic" and "children's breakfasts."

Coverage has been afforded by numerous sources, including:

SF 2231-S
SF 2272-S
SF 2496-R
SF PCI DONALD LAKE
SF PSI DOLORES AGUILAR
SF PSI JORGE PITTI
SF 3289-S
SF 3215-R*
CSSF 3207-R*

The second most important local group is the VENCEREMOS COLLEGE (SF file 100-65241), located in Redwood City, California. This is part of the NAIROBI College of East Palo Alto, established in 1969, following the confrontation of Third World students with the College of San Mateo. AARON MANGANIELLO, Director of VENCEREMOS COLLEGE, was expelled from San Mateo College as a result of this confrontation.

This college is primarily for young Chicano students, and its stated goal is to produce "revolutionary technologists-doctors, lawyers, teachers." It is a two-year college, and claims to be accredited. MANGANIELLO states the directors are Marxist-Leninist, and the class stressed is the political education class in Marxism-Leninism. Tuition is free.

One of its programs is the establishment of "united front organizations," such as the "People's Medical Center" in Redwood City, Welfare Rights Organizations, and a Daycare Nursery.

Coverage has been afforded by numerous sources, including:

SF 3345-C
SF PSI THEODORE A. ROBINSON
SF PSI ESTEBAN RAMIRO VILAHU
Officers ROGER GOODYEAR & A.T. HERNANDEZ,
Palo Alto Police Department, and RON
WILCOX, Redwood City Police Department

6. Chinese Matters

Although the ethnic breakdown of the 1970 census is not yet available, it is estimated by the San Francisco Public Health Department, that persons of Chinese descent constitute approximately one-tenth of the population of the city. This percentage has risen constantly during the past two decades and is expected to rise at an increasing rate in view of liberalized immigration regulations and the tendency of certain other groups to move out of the core city. The estimate of approximately 70,000 Chinese residing in San Francisco is matched by an equal number in other Bay area cities, making the total Chinese population of the San Francisco Bay Area somewhere between 140,000 and 150,000 persons.

The report of the San Francisco Chinese Community Citizen's Survey and Fact Finding Committee, issued in 11/69, points out that the San Francisco Chinatown is not simply an area but in fact, "a City within a City," with "its businesses and commercial district, light manufacturing and industrial areas, schools, churches and parks and its different housing areas, both public and private." The fact that Chinese are now widely dispersed throughout the city, Chinatown remains crowded, with a population density about ten times that of the city as a whole. Although more and more Chinese are taking up residence elsewhere in San Francisco, and in nearby cities, most still retain Chinatown ties and many commute daily to their businesses or offices in Chinatown. All of these considerations affect the investigation of Chinese matters and it has been found that the development of Nationality Sources and the promotion of community relations is particularly effective in the expeditious handling of Chinese investigations.

The San Francisco Office has sources in all of the important organizations and groups in the San Francisco Chinatown. Nationality Sources of this office serve on the board of the Chinese Consolidated Benevolent Association, commonly

called the Chinese Six Companies, which is made up of the Presidents of the seven major Chinese District Associations, (associations of persons who trace ancestry to one or another of the districts near Canton, China). At present both officials directing the Anti-Communist Committee of the Six Companies are established sources, one being STEVE M. JEONG and the other being FOO HUM. This office also has sources in each of the fifteen major Chinese Family Associations on an officer level and has officer sources in four of the five major tong, the Bing Kung Tong, the Ying On Tong, the Hop Sing Tong, the Hip Sing Tong, and the Suey Sing Tong. The President of the Chinese Citizen's Alliance, THOMAS CHOY TONG, is also a source of this office. This office has officer-level sources in the Cathay Post of the American Legion, and the Chinatown Post of the Veterans of Foreign Wars. The head of the Chee Kung Tong, sometimes called the Chinese Free Masons, Mr. WU TAAM, is a long-time source of this office and such friendly relations are maintained with the Chinatown clergy, that the San Francisco Office was recently able to operate an effective observation tower for about two weeks from the upper floor of a Chinatown Church.

*Exercise only
Chinatown Church*

One of the directors of the Chinatown Cultural Association is a source of this office, as are editors and/or publishers of the major Chinese language newspapers, with the exception of the "Chinese Voice," which is discussed elsewhere as one of the major cases in the Chinese field. (It is noted that CSSF 2997-S and CSSF 3193-S both are publishers of Chinatown newspapers.)

Perhaps the most important investigation in the Chinese field at present is that entitled "Chinese Voice," IS-CH, which appears to be shaping up as a major propaganda effort of the Chicoms. This investigation, discussed in more detail elsewhere in this write-up, is expected to become more time-consuming, as it appears that the editor, JOHN S.C. ONG, will be successful in securing Chicom financial support to make the paper into a daily publication. Recently ONG, accompanied by several other Chinese from this area, traveled to Vancouver, Canada, to welcome the crew of a Chicom ship and ONG made a banquet speech in which he clearly disclosed Chicom sympathies. The individual investigation of ONG is discussed elsewhere in this write-up, as "JOHN S.C. ONG, IS-CH." Another important case, is that entitled "BEATRICE; IS-CH."

"BEATRICE; IS-CH." Captioned is SF 2739-S. Source is currently employed as a Purser aboard the American President Lines ship "President Wilson." In his position, source makes regular runs to Hong Kong, where he has long been in contact with his Principal, YANG Chih-ming, of China Travel Service (CTS), a known Chicom Intelligence agency. YANG is currently also engaged as Sub-Manager of the Golden Gate Hotel, Hong Kong, reportedly used to house travelers to Mainland China.

In 1967, source, under auspices of the Chicoms (YANG of CTS), successfully made a trip into Communist China. He was thoroughly interviewed by Chicom Intelligence agency personnel while in Canton, China, and gave a very useful account of his experiences to Agents of this office (FBI) upon his return. Source has since been given various minor assignments by YANG, and there has been discussion of source making another trip into Communist China, although this has not yet been finalized. Source appears to have been fully accepted by the Chicoms and has tremendous potential as a double agent.

Source regularly contacts YANG while in port in Hong Kong, and is in fact now on a trip to Hong Kong, to return to San Francisco in early 11/70.

Two organizations at San Francisco that are considered pro-Chicom are the Hai Yen She (M), commonly known as the Petrel Club (Bufile 105-13332; SF File 105-869), and the Red Guard (Bufile 105-189989; SF File 105-23956).

The Hai Yen She (M) is the descendant organization of the Chinese-American Democratic Youth League which in the 1950's had a fairly extensive membership and was actively pro-Chicom. At present the organization is "officially" disbanded, but it remains an informal group of Chinese who are pro-Chicom in sympathy and who hold weekly discussion meetings attended by approximately ten persons. SF 2311-S is a member of this group. It is also noted that individuals who are associated with JOHN S.C. ONG and the "Chinese Voice" include persons who were formerly quite active in the Hai Yen She or its predecessor organization. MAURICE CHUCK (Bufile 105-19681; SF File 105-1493), who was once Educational Director of the Chinese-American Democratic Youth Club, is now the Managing Editor of the "Chinese Voice."

The Red Guard grew rapidly in 1969, by absorbing Chinatown youth gang elements. However, adverse publicity and the positive action of certain Chinatown tongs which took

action to absorb some of these youth and to place them under tong discipline, caused an equally rapid decline in membership, so that no more than ten youths are now subject to the direction of its leadership. SF 3250-PSI was formerly a member of the Red Guard and remains in contact with its membership.

ALEX HING (Bufile 100-455083; SF File 100-86891) Minister of Information of the Red Guard, and its principal leader, recently traveled abroad as a member of the Delegation to North Korea and North Vietnam, led by the Black Panther Party (BPP) leader, ELDRIDGE CLEAVER. Undoubtedly, this travel, which included visits to Soviet Russia and to Algeria, will make it even more necessary to cover HING's activity as a Chinatown militant.

The Asian American Political Alliance, which only a year ago was a center of Oriental protest activity at the University of California at Berkeley, California, is now a dead issue due to dissension in the Asian Studies Division of the Ethnic Studies Department at that university. According to SF 2496-R, a leader in these groups, the Asian Studies group is divided between moderates who want to remain in the university framework and radicals who want to organize the Asian Studies Division into a community college, divorced from university control and oriented toward community action. This Asian Studies group maintains a community center in the International Hotel at San Francisco, as well as the Chinatown-North Beach Draft Counseling Center and Everybody's Bookstore, dealing in Chicom and New Left literature, in that same Hotel building.

Regarding Chinatown gangs, it is noted that JACK S. HOEY, who has been a source of this office, was the person who acted for the Hop Sing Tong, in bringing youth gang elements into the Sing Keung, which is the youth division of the Hop Sing Tong. HOEY now has the support of conservative elements in Chinatown in directing a re-organized Wah Ching Club as a disciplined group in opposition to the Red Guard and the Asian Studies Group.

The recent recognition of Communist China by the Canadian Government will certainly produce an increase in "contact" cases. At present this office has investigations concerning persons reported to have been in contact with Chicom business establishments and with the New China News

Agency representatives at Vancouver, Canada. When an official Chicom Consulate is established at Vancouver, many Chinese from San Francisco will undoubtedly contact that Consulate and these contacts as furnished by the RCMP will have to be checked to determine their significance.

Another program with potential for producing a breakthrough into Chicom Intelligence activity is that entitled "Chinese Communist Contacts with Scientists in the U.S.; IS-CH," (Bufile 105-168542; SF File 105-21725) recently instituted by the Bureau to try to take advantage of Chicom interest in the fields of nuclear energy, missile and aerospace research, submarine development, and biological and chemical warfare, to develop double agents among scientists in those fields.

Related to the Chinese field are the investigations in the Revolutionary Union category, including that of its leader, LEIBEL BERGMAN, who returned to the United States from China with the mission of setting up such a revolutionary group. Individual discussion of both the Revolutionary Union and its leader are set out elsewhere in this write-up.

7. Nationalities Intelligence Matters

Although there has been no evidence of anti-communist group activity which could be considered embarrassing to our government, there does exist a potential among the Arab students, Iranian students, and the Yugoslav emigre groups.

Pro-Arab activity offering potential for illegal activity and violence centers in Arab students of the several Bay area campuses. Their primary interest at present is to support the Palestinian Arab cause. Demonstrations along this line to date have been orderly and sentiment expressed has been critical of both the USSR and Arab governments as well as Israel and the United States.

The Iranian Student Association has chapters in the major colleges in the San Francisco Bay area. It advocates the overthrow of the government of the Shah of Iran. It is also critical of U.S. "Imperialism," USSR and its cooperation with the United States, and it supports the Palestinian Arabs. It has sought and had the support of the SDS in its demonstrations. Its demonstrations have been generally peaceful except on one occasion demonstrators invaded the Iranian Consulate and had to be forceably evicted by the police department. 41 of them were arrested.

Among the Yugoslavs, the Ustashi element of the Croatian group have exhibited bitter resentment to public appearances at Croatian emigre social affairs by representatives of the Yugoslav Consulate, San Francisco. Via their weekly radio program they criticize the present communist regime in Yugoslavia and strongly advocate a "free Croatia."

The Chetnik element of the Serbian group also voice their criticism of the present communist regime in Yugoslavia via their weekly radio program.

There has been no acts of violence perpetrated by the Yugoslav group in the San Francisco Bay area. They have on two occasions formed picket lines in the vicinity of the Yugoslav Consulate protesting the Yugoslav communist government but on each occasion they registered same with the San Francisco Police Department.

8. Soviets Who Have Visited San Francisco Since 6/30/69

<u>Soviet Official</u>	<u>File Number</u>
MIKHAIL D. POLYANICHKO	105-26212
OLEG N. PASHKEVICH	105-26183
BORIS I. KORNEYENKO	105-26213
VLADIMIR F. PETROVSKIY	105-24583
ALEKSANDR V. CHURLIN	105-26178
NIKOLAY A. FOSHIN	105-26200
YAKOV A. MALIK	105-26176
YURIY G. KREMNEV	105-25871
GEORGIY I. ISACHENKO	105-23194
ALEKSANDR Y. DANILOV	105-9740
YEVGENIY S. YEGOROV	105-25987
MIKHAIL K. POLONIK (2 visits)	105-16284
ANATOLI G. MYSHKOV	105-26436
VIKTOR M. LESIOVSKI	105-16228
VLADIMIR F. DOBROGORSKIY	105-24112
ARKADIY V. GUK	105-25894
VASILIIY D. ZAHKAROV	105-25947
ALBERT N. ANDROSSOV	105-25859
EDUARD G. BASKAKOV	105-26206
VYACHESLAV V. KUZMIN	105-22370
OLEG I. LYSKIN (2 visits)	105-22632
IGOR A. DAMASKIN	105-25762
VLADIMIR K. ALEKSANDROV (2 visits)	105-22996
ALEKSEY A. BLOKHIN	105-25756
IGOR M. MAKAROV (2 visits)	105-23382

Soviet Official

File Number

VIKTOR G. EVLANOV (2 visits)	105-22911
YULI M. VORONTSOV	105-3428
BORIS G. STRELNIKOV	105-8483
MIKHAIL A. FEDOROV	105-1250
ILYA M. SHATUNOVSKIY	105-25311
EDUARD K. ALEKSANDROV	105-25104
BORIS F. CHUTCHEV	105-27105
YURI N. CHERNYAKOV	105-22501
VLADIMIR D. SAMORUKOV	105-24121
YURI A. SMUROV	105-25130
GEORGI I. POLEZHAYEV	105-25129
EDMUNDAS Y. YUSHKIS	105-24791
VLADIMIR F. DOBORGORSKIY	105-24112
KONSTANTIN I. TITARENKO	105-24758
VLADIMIR I. BORODZENKOV	105-24804
VADIM N. NEKRASSOV	105-23980
TOMAS A. KOLESINICHENKO	105-23780
MELOR G. STURNA	105-26388
VLADIMIR SINITSYN	105-26490
ALEKSANDR ZINCHUK	105-3302
OLEG A. YEDANOV	105-26504

E. SECURITY INFORMANT PROGRAM

1. Security Informants at this time	69
Security Informants Last Inspection	72
Security Informants Dropped	22
Security Informants Developed	16
2. Potential Security Informants at this time	28
Potential Security Informants at Last Inspection	17
Potential Security Informants Dropped	32
Potential Security Informants Developed	41
3. Confidential Sources on Espionage and Nationality Intelligence Matters at this time	19
Confidential Sources on Espionage and Nationality Intelligence Matters Last Inspection	17
Sources dropped	9
Sources developed	11

E. SECURITY INFORMANT PROGRAM

1. Security Informants

June, 1969 (Last Inspection)

October, 1970

72

69

Number dropped 22

Reasons:	Death	1
	Moved away	5
	Employment/education requirements	5
	Health	2
	No contact by foreign intelligence	2
	Downgraded to confidential source	3
	Revealed confidential relationship	1
	Inability to accept subversive philosophy	1
	No further value	2

Organizations Reported On:

Communist Party	22*
Progressive Labor Party	2
Socialist Workers Party	4
Young Socialist Alliance	4
Students For A Democratic Society	5
Venceremos Brigade	2
Youth International Party	1
Newsreel	5
White Panther Party	1
Weathermen	5
Revolutionary Union	6**

*. Includes three (3) Sacramento informants furnishing information on the CP of Northern California District.

** Includes one (1) Chicago informant who is on the Central Committee of the RU.

2. Potential Security Informants

June, 1969

October, 1970

17

24

Number dropped 32

Reasons:	Moved away	3
	Upgraded to SI	13
	Employment/education requirements	5
	No contact with Soviet students	6
	Arrest-discontinue due to	2
	Lack of Activity	3

Organizations Reported On:

Students For A Democratic Society	10*
Youth International Party	2
Weathermen	5
Revolutionary Union	3
White Panther Party	5

* Includes 3 established SDS member
confidential sources.

E.

3. San Francisco Division during the time of last inspection (1969) had 17 Confidential Sources furnishing information on espionage and nationality intelligence matters. During the interim 9 were closed while 11 were added, showing a total of 19 confidential sources. These are broken down in the following manner:

5	-	Chinese
1	-	East German
1	-	Polish
7	-	Soviet
1	-	Visitors to Soviet-Bloc Countries
4	-	Yugoslav

4. Double Agent (DA) & Potential Double Agent (PDA)

	<u>Number, DA or PDA</u>	<u>Title</u>	<u>File Number</u>
Chinese	1 DA	SF 2739-S	134-2793
East German	1 PDA	Former CSSF 2855-S	105-17853
Polish	1 DA	SF 3014-S	134-3644
Romanian	1 DA	SF 2644-S	65-5718
Soviet	3 DA	FLIP	65-5598
	DA	SF 3262-S	134-4408
	DA	SF 3365-S	134-4875

There was no breakdown in last inspection showing number of Double Agents and Potential Double Agents.

5. SF 3289-S since last inspection has advanced so he is now a member of the RU Central Committee, in theory the highest leadership body of the RU. This source is also a member of the RU local Executive Committee in San Jose and is Chairman of the San Jose RU #1 Workers Collective.

SF 2579-S has been a member of the Northern California District Committee of the CP and the San Francisco, California, County Committee of the CP. In addition he has become a member of the five member San Francisco County CP Secretariate.

6. Deseco Program

San Francisco is aware that the West Coast is of increasing interest to the SIS, and the anticipated opening of the Soviet Consulate has emphasized the need for the development of an adequate pool of sources, informants and double agents which will assist in our efforts to effectively cover the intelligence activities of the Soviets.

To further implement the instructions of the Bureau in this program, San Francisco has obtained from the Defense Supply Agency the identities of employees of industrial firms who plan travel to or through Sino-Soviet bloc countries or who plan to attend an international meeting outside the U.S. where Sino-Soviet-bloc personnel may be present. These persons, on a selective basis, are interviewed to alert them to the possibility of foreign intelligence recruitment, and their DESECO potential is then evaluated.

Other sources which have been contacted in an effort to locate suitable individuals for development within this program include security officers of major industrial firms and research facilities, established sources employed by airlines which serve Mexico, Central America and South America, and other sources acquainted with American businessmen which periodically travel abroad. U.S. Department of Commerce publications listing firms which do business with Chile, Uruguay and Argentina have also been reviewed to identify persons who might be used in a DESECO operation in South America.

The needs of the DESECO program have been furnished to all Agents of the San Francisco Division in furtherance of the identification of suitable prospects for development within this program.

4-F-G

A total of 159 PSI-DESECO cases have been opened by the division subsequent to 9/4/68, and 69 individuals have been interviewed. 58 of the 159 cases are now pending, and potentially suitable persons included in these pending cases will be interviewed in the future. Seven persons have been designated as PSI-DESECO, and four of these persons have to date been placed in contact with Soviet-bloc officials.

F. 1. None.

2.

A. Counterintelligence Against Communist Party USA:

No occasion has arisen where it was felt that any counterintelligence action would heighten existing tensions or create disruption, so no authority for counterintelligence action was requested of the Bureau.

B. Counterintelligence Against New Left:

The continued fragmentation of New Left Groups and the criticism of one group by the other has narrowed opportunities under this program. SDS/WSA local campus chapters are constantly labeled "PL stooges" by other campus groups. The attendance of such large student groups as World Christian Liberation Front (WCLF) at Regional Convention of SDS to preach the Gospel was more disruptive than any program we could suggest to Bureau. The WCLF delayed the West Coast SDS Convention one half day until the SDS removed the WCLF and its student members to the outside, where they continued to pray for forgiveness of the SDS and to SDS to refund their registration fee. As a combined result of University and local prosecution virtually the entire leadership of such groups as Berkeley SDS and Campus Progressive Labor Party are currently under suspension and many have felony indictments pending against them. Our prompt notification of such agencies as INS and request for regular notification of action taken by them in case of foreign disrupters has resulted not necessarily in statistics under this program but results in keeping with spirit of program. While suggestions made under this program tangible results are not evident because with the disruption carried on by one group against another greatest care must be exercised to prevent involvement that could result in criticism of Bureau.

*No
deletion*

C. Disruption of any Other Subversivity Group Discussed in this Survey:

Based upon information from member informants within the Revolutionary Union (RU) that there exists a personality and ideological split in the RU between the militant BRUCE FRANKLIN and the more cautious LEIBEL BERGMAN, this office has proposed a counterintelligence operation, utilizing one of our Chinese informants, to further this split and hopefully disrupt the RU at the leadership level. This operation is based on the presence of New China News Agency (NCNA) personnel in Canada, and hopes to capitalize on FRANKLIN's deep interest in security, his admiration for Red China and his interest in science fiction. The basic plan, summarized below, has been accepted by the Bureau and the RCMP and is now being refined in the light of current information for implementation.

In essence, FRANKLIN will receive a letter from our Chinese informant in Canada advising him to expect a call on x-date about a very important matter. On x-date FRANKLIN will receive a call from our informant in Vancouver requesting FRANKLIN to go to an outside phone and call informant at public phone booth in Vancouver. When FRANKLIN calls, it will be indicated that there are certain reservations concerning comrade LEIBEL BERGMAN and his role in RU, matters which cannot be discussed on phone. Informant will then attempt to arrange a meeting in Vancouver with FRANKLIN in a secluded Chinese restaurant, complete with the mumbo-jumbo of recognition signals and paroles.

Should FRANKLIN agree to the meeting, an informant will hold out the carrot of Chicom backing for the RU, but will indicate that this support has been withheld to date because of questions as to the bona fides of BERGMAN, indicating that his contact in China was exposed in the Cultural Revolution as a revisionist, that LEIBEL BERGMAN has

failed to carry out his orders, either on purpose or because of sloppy work habits. Specifically mentioned will be the RU attack on PL which has destroyed an organization backed by China. This attack was against specific directions to LEIBEL BERGMAN that he was to form a united front with all M-L groups, and can only indicate that LEIBEL BERGMAN suffers from egotism or had some nefarious plan in mind. FRANKLIN will then be requested to discreetly investigate BERGMAN and his activities and submit a report to a clandestine post office box in Canada.

Should FRANKLIN go for this, it is believed that we will be able to further manipulate him regarding RU activity, with the ultimate goal in mind of using FRANKLIN's gullibility to make the RU appear ridiculous, or else to compromise FRANKLIN himself in such a way as to leave him open to prosecution.

4. F.

d. ACCOMPLISHMENTS IN THE ESPIONAGE AND RELATED FIELDS

In the double agent case entitled BEATRICE; IS-CH, informant since last inspection has continued to solidify his relationship with his Chinese Intelligence principal.

SF 3014-S is a double agent directed against Polish Intelligence Service, was born in Poland, escaped after World War II. On a trip to Poland in 1966, he was approached by Polish Intelligence Service. Since the last inspection he has returned to Poland in the Fall of 1969 where he was again in contact with Polish Intelligence Service, who requested he obtain information concerning his employer, (the Hoover Institution at Palo Alto) and U.S. military installations in the San Francisco Bay area. He was told that he would be contacted in the U.S. subsequent to his return but this follow-up contact has not materialized, although the DA is still certain that he is still of interest to Polish Intelligence Service.

SF 2644-S is a double agent used against Romanian Intelligence in this area. He was last contacted in San Francisco by a known Romanian Intelligence agent 10/9/70. Future contacts are expected. The Romanians had indicated that they desire him to return to Romania for brief training in photography. He is employed by Lockheed Corporation in Sunnyvale, California.

GRAPH DIAGRAM

ESP - R

OO:SF

SF 3365-S, a former U.S. Army Sergeant, was recruited by the Soviet Intelligence Services in 1968 while serving in Berlin, Germany. Under Military Intelligence direction, he furnished information and was paid by the Soviets. Upon discharge in 12/69, he was instructed by the SIS to meet a contact in San Francisco on 5/29/70 and if not met at that time, to meet on 11/29/70. He was not met as scheduled in May, and it is anticipated that the meet will take place in November. In view of the establishment of a Consular office by the Soviets in San Francisco, it is believed that this case offers an excellent opportunity to penetrate a phase of SIS activity in this area.

JOHN S.C. ONG, aka
IS - CH
OO:SF
SF File 105-7541

ONG has been the Subject of this file since 1963, at which time he, as an Editor with the old "Chinese World," a San Francisco newspaper, was accused of writing pro-Chicom articles. ONG was born 7/3/18 at Bangkok, Thailand, and was naturalized a U.S. citizen in USDC, San Francisco, in 1960. He has been twice divorced and now is married to RITA ONG, aka, who is now Subject of SF File 105-26520. ONG and his wife now reside at 1454 22nd Avenue, San Francisco.

ONG is employed as the Publisher and Editor of the "Chinese Voice," a San Francisco Chinese language weekly newspaper that began publication in 9/69. There is every indication that the latter (CV) will soon become a daily publication, since the CV is now installing new presses and camera equipment. The CV is strongly pro-Chicom, as evidenced in Bureau translations of editorials appearing in the CV, with articles extolling the Chicoms, while ridiculing the U.S. and Taiwan.

ONG's Managing Editor, MAURICE CHUCK, aka, is a former member of the pro-Chicom San Francisco organization known as the Petrel Club, and is Subject of SF File 105-1493.

In 8/70, ONG headed a San Francisco delegation that went to Vancouver, B.C. to greet the first Chicom ship to visit North America. ONG delivered a speech at a welcoming banquet in which he clearly portrayed his pro-Chicom sympathies. While in Vancouver, ONG conferred with representatives of the Chicom New China News Agency (NCNA).

In 9/70, RCMP advised that ONG's wife was in contact with PU Chao-min (NCNA), Ottawa, Canada, advising that ONG was then in Hong Kong. ONG's wife conveyed ONG's request to have NCNA place two calls on his behalf. One call was to be to an unknown individual, while the other was to be to NCNA, Hong Kong. RCMP advised that PU called NCNA, Hong Kong, advising that ONG was then in Hong Kong and wanted to visit Mainland China. PU described ONG as quite influential in San Francisco, stating that ONG's newspaper has a favorable attitude. PU requested NCNA, Hong Kong, provide ONG with

all possible assistance and to inform NCNA Headquarters of ONG's travel. ONG's wife, in talking with PU, used some coded language, regarding ONG getting medical treatment for a sore finger, and San Francisco feels this may mean ONG is seeking Chicom funding for the expansion of his newspaper. Legat, Hong Kong, subsequently verified ONG's presence in Hong Kong; contact with prominent Chicoms; and intention to travel to Mainland China.

San Francisco has developed a source, SF 3406-S. (134-4270), who has been able to get close to ONG's wife and MAURICE CHUCK, and was recently asked to help out at the CV. It is believed that further advancement of the source will follow the return of ONG to San Francisco, and his approval or acceptance of the source.

UNSUB, HUNGARIAN INTELLIGENCE SERVICE, SOURCE EMPLOYED AS QUALITY CONTROL SUPERVISOR, LOCKHEED COMPANY, IS - HU

NY 6807-S, highly sensitive DA operation, Baseline, learned in 11/69 from a HIS case officer that HIS had a source who was a quality control supervisor located somewhere in the vast complex of the Lockheed Missile and Space Corporation (LMSC).

Without placing New York source in jeopardy, Head of Investigation Bureau, LMSC, was contacted and it was learned that it would be an "impossible task" to identify and locate such an employee with limited information. It was further learned that each department, section, division and plant would have numerous such positions.

After all personnel records were made available, an exhaustive search disclosed that there were actually only six Quality Control Supervisors (OCS) in the entire LMSC complex.

All six of these OSC were born in the U.S. as were their parents except in the case of MICHAEL GEORGE KURPA whose parents were born in Hungary. Although M.G. KURPA was born in the U.S. he had a good speaking and understading knowledge of the Hungarian language. He had been employed at LMSC since 1951 and was currently stationed at Cape Kennedy, Florida, with a "secret" clearance associated with the Agena program.

4-F-G

By letter dated 4/16/70, New York advised the Director that "New York greatly appreciates the effort made by the San Francisco Division in developing MICHAEL GEORGE KURPA as a possible suspect in this case."

Subsequently the Bureau in a letter 4/29/70 to Tampa commented as follows:

The excellent performance of the San Francisco Office which led to the development of a logical suspect in this case is appreciated.

ADDENDUM

INSPECTOR ARNOLD C. LARSON: Security matters of the San Francisco Division are handled on three desks: Desk #8, Espionage - Nationalities Intelligence, supervised by SA RICHARD G. FLETCHER, with caseload of 793 cases of which 164 cases are of the informant type; Desk #10, Communist and New Left non-extremist matters, supervised by SA ROBERT S. BERRYMAN, with caseload of 789 cases, including 79 informant-type cases; and Desk #11, New Left - Violence, supervised by SA ALBERT G. HIGGINS, with caseload of 673 cases of which 42 are informant-type cases.

During the course of this inspection, analysis was made of the security matters handled by these three desks and the following comments are based upon a review of pertinent files, information furnished by your office, and the above three mentioned supervisors. Comments relating to "extremists" concern groups and individuals in the security field, except where indicated, as a separate survey has been made on racial matters which is set forth elsewhere in this inspection report.

SECURITY MATTERS - GENERAL
SAN FRANCISCO DIVISION

2266 total pending security matters (includes 298 informant-type cases) primarily handled by complement of 68 investigative personnel; eight known basic revolutionary groups with 73 combined chapters and/or collectives for a total membership of 1363 (includes 134 known or suspected Weatherman-type cases); 2983 communes with estimated 20,125 members of which 40 are known to be violence-oriented (membership unknown); overall individuals living in communes varies throughout the year because of heavy influx of students and transient "hippie-type" individuals; 69 security informants (53 member informants) of which 23 report primarily on Communist Party (CP) matters,

24 PSIs, 161 PSIs under development; 51 institutions of higher education with enrollment of 272,970 students (number of Negro and/or racially-oriented students unknown); ten extremist or racially-oriented publications (includes two Black Panther Party papers), some published periodically but at least on a monthly basis with total estimated circulation of 359,800; 65 acts of violence since last inspection, targets of which were nine institutions of learning, nine Government or military installations, three public utilities, 15 commercial establishments, five private residences, one church, resulting in 503 arrests, injury to 103 police officers (civilian injuries numerous, total unknown), 11 deaths, damages to property estimated at \$961,443; informant coverage unable to report if racial or extremist groups responsible for acts of violence before act occurred; files of the San Francisco Office reflect little information on stockpiling or theft of weapons of violence; in response to inquiry, the California State Bureau of Criminal Identification and Investigation (CII), reports 27,375 handguns stolen annually in area covered by the San Francisco Division; while these thefts of guns and other weapons of violence (such as related in the "San Francisco Chronicle" of October 28, 1970, regarding a huge cache of weapons, including such items as gas grenades, fire grenades, .50 caliber machine guns, and dynamite caps) have not been identified with extremist groups as such, they offer a potential source for such weapons of violence by extremists; this and along with information set forth in suggestion memorandum to your office concerning intent to "blow up the Hall of Justice" in San Francisco emphasizes the need for your office to establish administrative devices which will readily make available pertinent information relating to the stockpiling of weapons of violence by extremists; in addition, it resoundingly points out the need for additional in-depth informant coverage in security matters, particularly of activity of extremists (separate suggestions have been made and are reported elsewhere in the inspection report in this regard); while it appears you have "member informant coverage" in the Old Left (CP).

You are making some inroads into the problems of the New Left, the overall security picture of the San Francisco

Office clearly indicates that the need for an imaginative, aggressive, well-organized program to obtain "member informants" in all known extremist groups, collectives, and basic revolutionary organizations in order that your office will be in a position to fulfill the Bureau's responsibility in this field; the re-establishment of a Soviet Consulate in San Francisco creates a most serious investigative responsibility to your office; daily coverage will be expected of all phases of Soviet activities which again emphasizes the need of all types of coverage; the Revolutionary Union (RU) (comprising an estimated 350 members in 41 collectives of which only 145 have been identified and 73 placed on the Security Index) additionally emphasizes that an aggressive, imaginative approach must be taken against groups of this type.

Continuous terroristic violence encouraged by fanatics and revolutionary groups, organized and unorganized, squarely affixes San Francisco's responsibilities in the security field.

The foremost objective in the security field must be "member informant" coverage to identify and infiltrate all revolutionary and extremist groups with the goal of prosecution and/or complete extinction of these groups. Quality "member" informant coverage in leadership position (in violence-oriented groups on and off campuses) is a prime and critical factor that must be kept uppermost in the mind of responsible supervisory and investigative personnel through sound administrative and investigative programs on a day-to-day basis.

Simply stated, "the name of the game is 'member informant coverage' in all basic revolutionary and extremist groups" so the Bureau will be in possession of advanced information on all pertinent contemplated acts on the part of these groups and the prosecution after the act. The Bureau cannot take "NO" for an answer.

SECURITY MATTERS - PRINCIPAL AREAS
SAN FRANCISCO DIVISION

The cities of San Francisco, Berkeley, and Oakland appear to present the San Francisco Division with the primary burden in the security field.

SAN FRANCISCO

The re-establishment of the Russian Consulate; the headquarters and/or chapters of eight known basic revolutionary groups; four collectives of the RU with an indicated total membership of these groups to be 467 (including 45 known or suspected Weatherman-type cases); 800 Communes with estimated 4500 members of which ten are known to be violence-oriented; eight institutions of higher education with 35,424 students enrolled; five extremist publications (including one Black Panther Party paper) with estimated circulation of 278,800; 15 acts of violence, 41 arrests, seven injuries, five deaths, damages totaling \$23,200; in regard to stockpiling weapons, 103 handguns are identified in possession of Black Panther Party members; the funds of the CP traced; overall population 704,000 of which 15 per cent is Negro, 9.9 per cent is Chinese, 1.7 per cent is Japanese, 3.5 per cent is Filipino, estimated 100,000 individuals of Mexican-American origin, two ghettos with a combined estimated population of 28,000; 46 security informants (of which 17 are "member" informants, nine of which report almost exclusively on Communist matters), 16 PSIs, and 117 individuals under development as PSIs offer coverage in this area.

BERKELEY RESIDENT AGENCY

The Berkeley Resident Agency is located approximately twelve miles from downtown San Francisco. This Resident Agency is manned by nine Agents and has 119 pending investigative security matters. In this Resident Agency, there are 11 chapters and/or collectives of basic revolutionary groups with an estimated 345 members (including 89 known or suspected Weatherman-type cases who indicated they were going to make Berkeley their headquarters when they went underground); 800 communes with estimated 8000 members, of which 25 are known to be violence-oriented; one institution of higher education with enrollment of 27,749; two extremist publications with estimated circulation of 70,000; 21 acts of violence, 152 arrests, 32 injuries, one death, estimated damages to property at \$402,008; ~~no informant~~

~~coverage relating to acts of violence prior to act taking place,~~
no records relating to stockpiling or theft of weapons of
violence, population 250,000, of which 30 per cent is Negro,
no ghettos, however, an extreme concentration of hippie-type
communes which house radical students and transient-type
hippies complicates all aspects of investigations relating to
the identification of those that advocate violence. This
area has been described by local law enforcement officials as
the "mecca for every kook in the country" and the youth sub-
culture with emphasis on the use of drugs, communal living,
and anti-establishment thinking permits the easy assimilation
into this existence of individuals, fleeing from justice. This
environment readily lends itself to demonstrations of all types
at the drop of a hat and gives impetus to further acts of
violence for the non-organized groups. Berkeley has four
security informants, one PSI, and three individuals who are
under consideration for PSI reporting on the basic revolutionary
groups and/or collectives in the Berkeley Resident Agency.

OAKLAND RESIDENT AGENCY

The Oakland Resident Agency like the Berkeley Resident Agency is located approximately ten miles from downtown San Francisco and borders the territory covered by the Berkeley Resident Agency. This Resident Agency has a complement of 22 Agents which five are primarily working security matters. There are 189 pending security matters investigations in the Resident Agency as of this inspection. It has eight chapters and/or collectives of basic revolutionary groups; 250 communes with an estimated 1,250 members; four known violence-oriented communes, membership unknown; six institutions of higher education with 20,794 students enrolled; one extremist publication of the Black Panther Party with an estimated circulation of 8,000; nine acts of violence; no arrests, injuries or deaths, however, had damages to property estimated at \$25,000; no informant coverage prior to acts of violence; has a population of 460,000 of which 34% is Negro; two ghettos with combined population of 50,000; six security informants; three potential security informants and 11 investigations on individuals being considered as potential security informants. Four of the eight revolutionary groups are being reported on by "member informants" of which the Communist Party has four SIs reporting. While the black extremist is a predominant problem in the Oakland Resident Agency, the hippie type communes in Oakland present a similar atmosphere in that set out above for the communal living in the Berkeley Resident Agency.

OTHER AREAS WITH SECURITY PROBLEMS IN THE SAN FRANCISCO DIVISION

As set forth above, the primary problems in security matters in the San Francisco Division appear to be centered in San Francisco, Berkeley, and Oakland, California. Other areas where security problems are indicated are as follows:

The Hayward Resident Agency which has a complement of five Agents has 24 investigative matters pending; 12 communes with an estimated 150 members. It has one collective of the Revolutionary Union. This Resident Agency does not have a SI or PSI reporting on the Revolutionary Union, however, it does have three individuals under investigation as potential security informants.

The Palo Alto Resident Agency has a complement of eight agents with 109 pending security matters; 18 basic revolutionary groups and/or collectives with an estimated 164 members; 23 communes with an estimated 115 members; has four institutions of higher education with 19,150 students enrolled. In addition, the Venceremos College is located in Palo Alto. It experienced seven acts of violence; 310 arrests; 16 injuries; no deaths with damages estimated at \$352,600; ~~no informant coverage before the acts of violence;~~ population 500,000 of which 7% is Negro with one ghetto with an estimated population of 4,000 individuals.

The Richmond Resident Agency has four collectives, an estimated 16 members; ten communes with an estimated 50 members; ~~no informant coverage;~~ one institution of higher education with 5,335 students enrolled; one extremist type publication with an estimated 3,000 circulation; population 200,000 of which 25% is Negro; one ghetto with approximately 2,000 individuals.

The San Rafael Resident Agency has 24 pending security matters with a complement of three agents; five known basic revolutionary groups and/or collectives with an estimated 24 members; 40 communes with an estimated 500 membership; three institutions of higher education with an enrollment of 3,980 students; five acts of violence; no arrests or injuries; four deaths with damages estimated at \$150,000. Stolen weapons of violence consist of 250 sticks of dynamite; four one pound blocks of TNT; four one-half pound blocks of C4 explosive with detonator time fuse; has 288,000 population with one ghetto of approximately 1,000 individuals; two SIs; no PSIs and one individual under consideration for PSI.

Other Resident Agencies where it appears informant coverage is inadequate to fulfill the Bureau's responsibilities are:

San Mateo
Santa Cruz
Walnut Creek
Salinas
Monterey
Eureka

The above clearly points out the critical need for in-depth member informant coverage in all of the above areas set forth. In this regard, you should promptly make a thorough analysis of your security informant program, insuring that all weaknesses therein are promptly corrected in order that optimum informant coverage is obtained from available informants in order that necessary informant coverage is obtained at the earliest possible date.

BASIC REVOLUTIONARY GROUPS
COMMUNIST PARTY, USA

As reported by you to answers posed by the inspectors, the activities of the Communist Party (CP) in the San Francisco Division appear to be adequately covered by member informants; however, you should insure not to lose sight of the fact that this coverage can fluctuate daily. You should insure that informant development in this organization is not relaxed in order that you will always have adequate coverage. A review of files relative to New Left organizations and individuals reflects that your investigations in this area are conforming with existing Bureau instructions.

The one problem area indicated in the New Left extremist type organization is the Revolutionary Union (RU). Accordingly, an in-depth analysis was made of the problems involving this organization which is set forth as follows:

REVOLUTIONARY UNION

The RU has had an alarming membership growth from fifty members at the time of the last inspection to 350 members at present. The growth of the RU has closely paralleled recent directives from Communist China for a Marxist-Leninist organization outside of China. During the past six months, the RU has assumed a national posture with the development of collectives in the Midwest and East. At the Central Committee meeting (governing body) held within the past week, 70 per cent to 80 per cent of the delegates favored armed revolutionary struggle now.

The RU in your territory is presently made up of 350 members in 41 collectives which are located in San Francisco and seven Resident Agencies: Berkeley, Oakland, Palo Alto, Richmond, San Jose, San Mateo, and Santa Cruz.

Of the 350 members, San Francisco has identified 145 as members. A total of 205 have not been identified. This is a most serious problem which must be rectified immediately. The lack of appropriate quality informant coverage in 39 of the RU collectives is the prime reason why this unfavorable situation exists. At present you have only three member informants furnishing information in two collectives located in San Jose. One of these informants is on the Steering Committee and will be in a position to furnish you badly needed informant coverage of the RU governing body.

You have two informants who are furnishing you valuable information concerning the RU; however, they are not actual members. San Francisco has five potential security informants who appear to have excellent chances of being accepted as members. Agents handling these informants must give them close and continuous guidance in an attempt to have them gain membership.

Of the 145 members identified, a total of 73 have been included in the Security Index. The investigations concerning the other 72 known members should be expedited and appropriate reports submitted to the Bureau together with recommendations for placing these individuals on the Security Index.

As you are aware, the Department of Justice advised on May 19, 1970, that it was considering submission of a petition to the Subversive Activities Control Board to designate the RU a Communist front. Because of the Department's interest in the RU, you should keep the Bureau advised of all pertinent information and activities of this organization through timely letterhead memoranda and/or appropriate reports suitable for dissemination.

Aggressive and continuous investigations must be afforded the key leaders of this organization.

The Santa Cruz Resident Agency has four collectives with a membership of 36. There are no member informants. San Francisco has not identified any of these members. This is wholly inadequate. Immediate steps must be taken to identify these members.

Berkeley has three collectives, 30 members, twelve identified, five are on the Security Index. There are no member informants.

The Oakland Resident Agency has three collectives, 18 members, ~~four~~ identified, ~~two~~ on the Security Index. There are ~~no~~ member informants.

Palo Alto has 15 collectives, 115 members, ~~36~~ identified, ~~15~~ on the Security Index. There are ~~no~~ member informants.

The Richmond Resident Agency has four collectives, 36 members, ~~16~~ identified, ~~nine~~ on the Security Index. There are ~~no~~ member informants.

The San Jose Resident Agency has five collectives, 50 members, ~~40~~ identified, ~~20~~ on the Security Index. There are ~~three~~ informants in two of the collectives.

The San Mateo Resident Agency has three collectives, 20 members, ~~five~~ identified, and they are on the Security Index. There are ~~no~~ member informants.

This entire matter must receive close supervision to insure that the Bureau's responsibilities are fully and properly met.

The extent of extremist activities such as those adhered to by the Revolutionary Union and the Weatherman Faction of the Students for a Democratic Society is further emphasized by the statements of MARK RUDD, leader of Weatherman, to the extent that in 2/70, a meeting was held in Cleveland, Ohio, at which time Weatherman decided to go underground and direct "strategic sabotage" not so much at Federal Buildings but at military and police institutions. One of the centers of Weatherman activity was designated as Berkeley, California. Therefore, you should insure that aggressive and penetrative investigation is directed in this area not only to identify known Weatherman members but to locate and apprehend Weatherman fugitives.

In regard to RUDD's statement as to strategic sabotage, the above stated acts of violence indicates that Weatherman in this area may be responsible for such acts, it being noted that RUDD did not indicate any specific target other than the sabotage was to be directed against symbols of the establishment and particularly through confrontation with police and accomplishing accompanying acts of sabotage through the use of bombs and other explosives. In this regard, your attention is directed to SAC letter 70-46(F) dated September 1, 1970, captioned "New Left Movement-Violence-Internal Security-Miscellaneous (Weatherman) which relates that recent developed intelligence information unquestionably indicates the FBI, its field offices and its Resident Agencies throughout the country are vulnerable to the terroristic tactics of these madmen. No office can consider itself immune to such action; accordingly, you should be constantly alert for same.

The foregoing emphasizes the importance of penetrative aggressive investigation and the development of "member informants" in these organizations. It is further emphasized by the activities of extremists throughout the U. S. who, during the past academic year, were involved in excess of 1,785 demonstrations on college campuses. During these demonstrations over 7,116 individuals were arrested and damage to campus facilities amounted to more than \$9,563,000. Approximately 300 police officers and 163 participants were injured during these incidents. Recently at the University of Wisconsin at Madison, Wisconsin, a bombing caused one death and \$3,000,000 damage to a building on the campus. During the period of

September, 1969 to August, 1970, there were 151 instances of bombing and/or arson. Damages as result of these instances amounted to more than \$11,454,500. This compared to the 65 acts of violence, 503 arrests, 103 police officers injured, 11 deaths and estimated damages of \$961,443 in the San Francisco Division clearly crystalizes the problem that your office faces in combating these new left extremist groups. You must insure that the Bureau's responsibilities in this regard are fulfilled.

Stockpiling of Arms
and Ammunition

Your attention is directed to SAC letter 70-18(C) captioned "New Left and Black Extremist Terrorism-Bombing Matters" dated 4/7/70, and the provisions of Senate Bill 30 relating to explosive incendiary devices and bomb threats.

The files of the San Francisco Office in regard to the stockpiling of arms and ammunition by extremists indicates a need for a definite program set up by your office to insure that you are aware of the thefts of weapons and other instruments of violence with emphasis being placed on identifying whether or not such weapons of violence are falling into the hands of extremist groups.

In connection with the reported thefts of weapons of violence you should insure that all informants (both security and criminal) are promptly alerted regarding such thefts to aid in determining if any of these weapons of violence are being sought after or stolen by extremists.

Group-Membership Finances

Leave in

A review of the files relating to extremist groups reflects that while you have made attempts to trace funds of some of these groups, you have been relatively unsuccessful with the exception of those of the Communist Party. You are reminded that financial support is the heartbeat of any organization and the tracing of funds, whether through membership or gifts to such organizations is important investigative technique to identify individuals connected with any group. In this regard accountants of your office may be of assistance in either tracing funds or offering guidance in this area.

Counter-Intelligence Programs

A review of the San Francisco files in regard to the Counter-Intelligence Program of your office reflects that serious imaginative and aggressive thinking has been directed in this area with particular emphasis against racial and Weatherman extremist groups.

An effective Counter-Intelligence Program against basic revolutionary groups is a prime aspect in neutralizing the potential of these groups. Accordingly, you should insure that this program continues to receive your close supervision and direction in order that counter-intelligence can be implemented where it will be most effective. One such area would be in directing your attention to violations of laws under the Bureau's jurisdiction wherein the members are reported to be connected with extremist groups. In this regard, your attention is directed to the Selective Service Survey (being reported elsewhere in this inspection writeup) wherein it is pointed out that nine individuals were reported to be affiliated with extremist groups having violated the Selective Service Act. In this regard, you should insure necessary administrative controls are set up so such indicated violations are promptly brought to the attention of the responsible supervisory personnel.

Security Index

A review of the overall operation of the Security Index was made and it was determined that it is being maintained in a current status in accordance with Bureau instructions. It is noted that you do not have photographs for four Security Index subjects and that photographs of 74 Security Index subjects are over ten years old. You should make every effort to immediately obtain current photographs on those Security Index subjects which you do not have a photograph and, if possible, obtain current photographs of those Security Index subjects that are over ten years old.

ESPIONAGE AND RELATED MATTERS

With the signing of the Consular Convention Agreement between the United States and the Soviet Union, June 1, 1964, negotiations have been conducted concerning the establishment of Consulate Offices. In April, 1970, negotiations established authority for the Soviet Union to open a Consular Office in San Francisco which will cover the states of Oregon, Washington, California, and Hawaii, plus Kodiak Island and the cities of Juneau and Anchorage, Alaska.

As you are aware, the Soviet Union previously had a Consulate in San Francisco and Soviet personnel assigned to this Consulate were extremely active in espionage activities up to the time of its closing in 1948. With the establishment of a Soviet Consulate in the State of California, a state with a large ethnic Russian population, the largest Communist Party other than New York, and rife with extremist groups of both the New Left and Black Nationalist type, it is obvious the Soviets are presented with unlimited potential for successful espionage operations. The area to be covered by the San Francisco Consulate is one in which are located many key facilities and vital military installations, including the Defense Language Institute, Monterey, California.

During the negotiations for the establishment of this Consulate, it was contemplated that eight to ten Soviets would staff this establishment. It now appears the Soviets contemplate assigning about thirty families to this Consulate. At present two Soviet officials have already arrived in San Francisco area. These individuals have previously served in the United States and were connected with Soviet Intelligence. The Soviets are presently in the process of establishing the Consulate and are seeking to purchase a building and other equipment and supplies. They are presently being assisted by two Soviets assigned to the Soviet Embassy, Washington, D.C. On 10/27/70, an additional Soviet arrived in San Francisco, presumably to assist the above-mentioned Soviets. At least three of these Soviets are known KGB agents.

The need for daily and thorough investigative coverage and close supervision of the above-mentioned Soviets and those who will follow is absolutely necessary and expected.

The seriousness of San Francisco's continuing investigative responsibility in covering all phases of

Soviet activities in San Francisco henceforth cannot be over-emphasized. You must personally follow all pertinent developments in this matter on a daily basis. It will be your responsibility to appropriately apprise offices covering the territory of the Consulate relative to their travel to those areas, such as Los Angeles, Sacramento, San Diego, Portland, Seattle, Anchorage and Honolulu Offices.

The thorough daily investigation of the activities of the Soviets assigned to your Consulate is without question as important as any investigative responsibilities you have. The Bureau expects you to fulfill all phases of these responsibilities in a thorough and exhaustive manner.

To date the actual purchase of a building which will house the Consulate and anticipated living quarters for the Soviets has not been made. Possibility exists that after this purchase is made renovations to the building may be necessary to fulfill the overall needs of the Soviets. If this possibility becomes a reality, the lapse of time in completing such renovation may delay the arrival of the full complement of Soviet personnel.

The San Francisco Office has been aware of the possibility of a Soviet Consulate being established in San Francisco for several years. The Bureau has given you numerous instructions in this regard. In September, 1969, Bureau instructed San Francisco to immediately institute a vigorous campaign to develop a pool of suitable DESECO sources for use against Soviet personnel.

At the present time you have three PSI-DESECO, two of whom have been placed in contact with Soviet-bloc officials. In addition, since the last inspection you have opened 108 DESECO cases, closed 50 of them, and you presently have 58 pending cases. This is a distinct and worthy improvement over the last inspection when you had 19 pending DESECO cases. In addition to the above DESECO potential, you have three dormant double agents, FLIP, 65-5598, SF 3262-S, 134-4408, and SF 3365-S, 134-4875, who may eventually prove valuable to San Francisco in its coverage of the Soviet Consulate. Agents handling these informants should remain alert for the appropriate opportunity in placing these individuals in contact with the Soviets.

It is essential that you vigorously pursue an active DESECO Program and insure that individuals are being developed whose background would make them attractive to Soviet

Intelligence. This program must be expanded and receive imaginative and continuous attention. At the present time in your coverage of the Soviet officials who are presently in San Francisco, you have the following basic coverage in handling the daily activities of these Soviet officials: four highly placed sources in four separate hotels where these Soviets are presently residing; the three realtors, one of which is excellent in reporting his negotiations with the Soviets concerning the purchase of a building. It would appear that this realtor has the inside track in assisting the Soviets in locating a suitable building. In addition, you have a SAC Contact who has been in contact with the Soviet official on several occasions; three Russian emigre type sources; one source who is being handled by the Central Intelligence Agency, and one source who has excellent double agent potential. In addition, you have agent personnel following the daily activities of these officials.

It is noted that since the last inspection a total of 51 Soviets have visited the San Francisco area. Their overall success in gathering intelligence data is not known. The need for in depth quality coverage of these Soviets and those assigned to the Soviet Consulate is obvious and necessary.

Confidential Source Coverage

At the time of the last inspection you had seventeen Confidential Sources furnishing information on Espionage and Nationality Intelligence matters. During the interim, nine of these sources were closed and you developed eleven new sources, making a total of nineteen, broken down as follows:

<u>Number</u>	<u>Nationality</u>
5	Chinese
1	East German
1	Polish
7	Soviets
4	Yugoslavs
1	Soviet Bloc Country Visitor

In addition, you have 138 Russian Nationality Sources, which is very desirable. Additional sources should be constantly developed.

With the opening of the Consulate and the arrival of Soviet personnel in your division, it is most essential that consideration be given and efforts be extended to not only evaluate individuals for potential defection but to actively work toward inducing a defection in place recognizing that such a source has proven to be the most productive and positive means of penetrating Soviet Intelligence.

It should be expected that there will be an increase of Soviet Intelligence official and non-official travelers from New York, Washington, D.C. and abroad to the San Francisco area. It, therefore, would appear mandatory that increased attention and coverage be given to such individuals.

In addition the opening of a Soviet Consulate in San Francisco undoubtedly will stimulate the increase of Soviet Intelligence efforts in the area of your division, both in the legal and illegal intelligence field. This fact will certainly necessitate the need for alertness on your part to uncover this activity. You must give consideration to means to uncover such efforts by Soviet Intelligence and be certain personnel working on Soviet cases are experienced and qualified. Sufficient manpower and attention must be given to all facets of these endeavors.

With the establishment of the Consulate and considering the nature and makeup of the Bay area which has numerous private and governmental plants of a technical and sensitive nature, it is imperative that the contacts of the Consulate and its Soviet personnel be immediately identified and thereafter exploited.

Surveillances of the Soviet personnel must be vigorously conducted and consideration given to new sophisticated means to determine the movements and contacts of these Soviets. The Mast monitoring survey suggested by your office and now being conducted should receive continuous attention and implemented if feasible.

Soviet Bloc Immigrant
(SOBIR) Program

Since the last inspection you have had 413 cases referred to you under this program by U.S. Immigration and Naturalization Service or other government agencies, and you opened 89 of those cases and interviewed 26 persons. At the time of the last inspection you had 337 such matters referred to you, opened 89 cases and interviewed 16 individuals. Because of the excellent potential in developing worthwhile sources in this category in connection with the coverage of the Soviet Consulate, it is imperative that you scrutinize each SOBIR case to insure that all potential is exploited to the fullest.

Visitors to Soviet-
Bloc Countries

Over 3,000 individuals in your territory have traveled to Soviet-bloc countries since the last inspection. Of this number, you have interviewed 104 individuals, 14 who visited the Soviet Union. Of these 104 individuals it was determined that one individual encountered a recruitment approach and no persons were recruited. This program should receive renewed emphasis by your office in further development of a wide variety of quality source coverage of the Soviet Consulate.

Soviet Students

At the present time you have seven Soviet students attending universities located in your territory. Your coverage of these students is through various sources, and it is noted that you are continuing to develop additional sources. It is imperative that their activities be closely followed, according to existing Bureau instructions. For all practical purposes, these students should be considered part of the Soviet Consulate complement.

Chinese Matters

San Francisco has the largest Chinese colony in the United States. A review of your files concerning Chinese matters shows that you have conducted numerous interviews under the Chinese Alien Interview Program. These interviews have alerted many of the immigrants to our interests in the

event they are contacted by individuals or groups which may be of interest to your office.

As you are aware, within the past week the Canadian government has recognized Communist China and information developed indicates that a Chinese Communist Consulate may be opened in Vancouver, Canada, in the impending future. This Consulate will certainly produce an increase in "contact cases." It can be expected that many Chinese of the Chinese Community in the San Francisco area will undoubtedly contact that Consulate. The Chinese Communist government will undoubtedly be vitally interested in developing sources among the Chinese population in the San Francisco territory. San Francisco has seen contacts between pro-Chinese Communist elements in San Francisco and the New China News Agency personnel in Vancouver. This, coupled with the recent indication that Communist China is now ready to come out of its shell and concentrate on improving its international position, will undoubtedly greatly increase activity in the Chinese field in San Francisco territory. The need for developing DESECO sources and quality Chinese confidential sources is necessary and desirable if you are to fulfill your responsibilities in this potentially critical investigative area.

Your investigation concerning the "Chinese Voice," a Chinese-language newspaper, clearly shows that this paper is developing into a potential major propaganda effort of the Chinese Communists. Your investigation in this regard appears to be progressing satisfactorily.

SECURITY INFORMANT PROGRAM

The Bureau has repeatedly stressed and the above analysis emphatically points out the necessity of establishing in-depth, quality informants in the racial and security field. This fact is even more imperative now than ever before in view of the present conditions throughout the United States, particularly involving extremists as the upsurge of violence is rapidly increasing.

The files of your SIs and PSIs have been reviewed and individual ratings have been prepared and made available to you concerning each file. The ratings given the informants are as follows:

	<u>Excellent</u>	<u>Very Good</u>	<u>Good</u>	<u>Fair</u>	<u>Total</u>
SIs	31	23	14	1	69
PSIs	1	10	13	0	24

The above informant that was rated fair is San Francisco file number 134-971, Bureau file number 134-4238. This informant should be closely followed by you for 90 days. Specific assignments should be given the informant during this period. However, at the end of 90 days if no positive improvement is shown the file should be closed. The Bureau should be advised of the action taken as to this informant and whether or not he became productive within the 90 day period.

In addition to the above a representative number of the files relating to 161 potential security informants under development (non-Bureau approved) were reviewed. From the ratings given the above SIs and PSIs (considering 23 SIs are reporting on the Communist Party) clearly indicates this program needs revitalization within your division to fulfill the needs of coverage on the extremist groups. Primary weaknesses noted were made subject of separate memoranda relating to failure to "contact informants" and the destruction of channelizing memoranda. Copies of these memoranda will be found elsewhere in this inspection report. Another weakness noted in a review of these files was that informants did not appear to be given sufficient, definite and varied assignments in order to utilize and develop their full potential. It is felt that through close guidance and direction of informants currently available to you, you will greatly increase badly needed coverage in critical areas.

areas. You should insure that imaginative and aggressive steps are immediately taken in order that the San Francisco Division has sufficient informant coverage in the security field to meet and fulfill the Bureau's responsibilities in this area.

You are reminded that in developing informants, oftentimes monetary remuneration is a prime factor, coupled with the need of a proper rapport between the agent and the informant to fully develop the potential of the informant.

In regard to the expenditure of funds for security informants and sources the San Francisco Division for the period September 1968 to August 1969 expended \$80,123.45 for informants and \$311.00 for sources, while during the period September 1969 through August 1970 it expended \$76,789.62 for informants and \$1,505 for sources. While you should insure that value is received for funds expended, you should also be certain that all agents are aware of the importance of financial remuneration in developing informants.

In addition, it should be impressed upon all agents of the San Francisco Division that each has a responsibility of pinpointing security informant potentials for further development by agents handling security matters.

In connection with the overall administrative handling of the informant files of your division, and in addition to the weaknesses pointed out in the memoranda referred to above, it was noted that the "pink sheet" in several of these informant files were not completed. The identities of these files were called to your attention and the completion of these "pink sheets" should be accomplished at an early date.

OBSERVATIONS

From an overall analysis of the security matters in the San Francisco Division, it appears a prime factor for a successful operation in this area is the close coordination of the three security squads along with the racial squad in view of the scope of the problem dealing with extremists in this area. This is necessary to insure that each desk is made aware of the pertinent information relating to the operation of that desk.

Another important and prime factor is the fact that your office must develop "member informants" in each extremist group and organization in order that you will be in possession of advanced information on all contemplated acts of violence or other pertinent acts on the part of these groups prior to the act taking place.

INSTRUCTIONS

The Bureau must be immediately advised of any outbreak of demonstrations, or proposed demonstrations within your division. In this regard you should insure that all employees are aware that such activities which occur during the night within your division are brought to the Bureau's attention by the opening of business at the Seat of Government the following morning. This is extremely important as the White House, the Attorney General and other interested Government agencies rely heavily on the Bureau to keep them advised of subversive and New Left activities throughout the United States.

Promptly review your overall operations relating to your informant program, correcting any weaknesses therein to insure an effective program is in operation to develop "member informants" for in-depth coverage in all revolutionary groups, branches and other affiliations of these groups. In this regard it should be stressed to all agents that each have a definite responsibility in this area.

In connection with the violence-oriented extremist groups, you are reminded that a group of like-minded individuals can be as dangerous, or more dangerous, than well-organized extremist groups. This is pointed out by the increase of unprovoked attacks against police and the increase of acts of violence, not only throughout the United States but in particular in your division as indicated by the above related statistics. With this in mind, you should insure that informants are given assignments in conjunction with the group the informant regularly covers to: (1) cover unaffiliated extremists; (2) search out and identify unaffiliated extremists; (3) attend public meetings held by extremists; (4) survey extremist bookstores and other areas where extremists are known to congregate; (5) insure informants are alert to violations of both Federal and local statutes by extremists, particularly those involving weapons of violence as such violations may be an important factor in directing a counterintelligence operation against the extremists.

By giving informants these and other assignments to actively seek information relating to extremists, the informant will be reporting on a regular basis and thereby be more productive in aiding and affording the necessary coverage in this area.

Closely follow investigations relating to all communes within your division to insure existing Bureau instructions relating to such communes are followed.

Insure all informants are alerted to the theft of weapons of violence that could be utilized by extremists to fulfill their announced intentions.

Insure that all informants are properly indoctrinated in accordance with existing Bureau regulations with primary emphasis on prompt reporting of information if in a travel status to the nearest FBI office.

You should insure that an imaginative and aggressive counterintelligence program is considered against basic revolutionary groups insuring such programs are properly cleared with the Bureau.

In regard to developing informants, particular emphasis must be made in the "member informant" coverage of each of the 39 Revolutionary Union (RU) collectives. Identify the 205 unidentified revolutionary members and conduct appropriate investigation and submit Security Index recommendations.

Expedite background investigation of the 72 known members of the RU who are not on the Security Index and submit reports and recommendations for placing them on the Security Index.

You should insure that your office is adhering to the Bureau deadlines in the submission of reports on all individuals and organizations.

You should insure that necessary administrative procedures are set up so that any member of an extremist group who has violated a law under the Bureau's jurisdiction within your division is promptly brought to the attention of the responsible desk.

In view of the clear danger the establishment of this new Soviet Consulate presents to your office, it is imperative that your overall counterintelligence efforts be immediately implemented to meet your responsibilities.

Initiate a vigorous program to develop a pool of additional quality sources under the DESECO Program.

Immediate steps must be taken to consider tesur coverage and misur coverage.

Promptly institute appropriate lookout, surveillance, and substantive case coverage of present Soviet officials.

Adequate surveillance coverage must be established. These Soviet officials will be permitted to travel throughout the Consulate district and thus will be in a position to personally handle agents presently existing in Seattle, Washington, and Los Angeles.

Closely follow Soviets purchase of Consulate building and immediately upon ascertaining the location of the building purchased, immediate steps must be taken to arrange suitable lookout and tesur coverage of this establishment.

You must develop an appropriate lookout on the Soviet Consulate to vigorously implement the contact program.

The Chinese Communist government, through its official establishment in Canada will undoubtedly attempt to develop sources in the Chinese Community, San Francisco. Your need to develop appropriate coverage in this regard is of utmost importance.

Comments of Supervisors RICHARD G. FLETCHER, ROBERT S. BERRYMAN, and ALBERT G. HIGGINS and SAC ROBERT E. GEBHARDT requested.

4-F-G

SUPERVISORS RICHARD G. FLETCHER
ROBERT S. BERRYMAN, and ALBERT
G. HIGGINS and SAC ROBERT E.
GEBHARDT: *0-12*
(10/29/70)

The Inspector's obvious in-depth analysis of the security work in this Division is indeed appreciated. This analysis further points out the

important responsibilities and obligations that we face in these areas and which have been recognized by the Supervisory staff in this office. The Inspector's observations, remarks and instructions have been carefully reviewed and, where appropriate, these instructions will be promptly and fully implemented.

Rev. 8/20/70

RACIAL MATTERS AND INFORMANTS

4-GG

INSPECTOR A C LARSON

Please furnish information requested below. If question

not applicable to your territory state "none" or "not applicable."

PART I. INVESTIGATIVE ASPECTS

- A. Describe racial situation in your territory. Summarize recent incidents of violence. Comment as to areas where future incidents of violence are most likely to occur. Comment specifically on involvement of black extremists in incidents of violence and in disruptions in educational institutions, including high schools. Keep reply very brief.
- B. Set forth in format below information concerning all black extremist groups; black student groups which have or can be expected to capitalize on racial disorders; all white hate and Klan groups. Additionally, list every Black Student Union chapter in your division whether or not such chapters have been involved in campus violence. Identify all black extremist groups involved in activities in high schools. Where there is more than one branch of a given organization in locality, furnish information requested concerning each branch.

<u>Organi- -tion</u>	<u>Location (If covered by Resident Agency, indicate RA by name)</u>	<u>Estimated Active Members</u>	<u>Total Estimated Members, Active and Inactive</u>	<u>Identity of Sources & Informants Affording Coverage</u>	<u>Is Inform- -ant Active Member of Organi- -zation</u>	<u>File No. of Informant</u>
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CISCO INSPECTION

OCT 22 1970

103.

- C. Set forth information requested below concerning all areas predominantly populated by Negroes in your division. Where more than one such area exists in one city, set forth required information concerning each area.

Location (If covered by Resident Agency Indicate RA by Name)	<u>Estimated Population</u>	Number of Ghetto Informants Affording <u>Coverage</u>	Number of Other Sources Including Criminal and Security Sources <u>Affording Coverage</u>
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If informants, probationary informants or sources have been included as affording coverage on more than one area described above, clarify and show net totals.

- D. Briefly describe plans you have for expanding informant coverage and/or investigation of black extremist groups, Black Student Union chapters and groups that can be expected to capitalize on eruptions of racial disorders as well as Klan and white hate groups. Specifically identify each group so targeted and list by name those individuals who are members of extremist groups who have been targeted for informant development. Clearly define your goals in regard to each such group.
- E. Set forth number and identities of racial informants who have been developed since last inspection who are in a position to report on black extremist activity. Specifically list coverage afforded by each informant.
- F. How do you insure maximum utilization of all racial informants? How do you insure that all statistical accomplishments attributable to racial informants are coordinated for reporting monthly on FD-405b (Status Report, Racial Informants, Extremist Groups (White - Black), Racial Matters)? How do you make sure all informants and sources are kept alerted on a continuing basis to urgent need to identify violence-prone individuals or groups who may resort to violence during riotous situations and to identify and locate sources and caches of weapons and incendiary devices being stockpiled?

- G. Comment on methods established to maintain contact with informants during outbreaks of racial violence.
- H. Advise number of surveillances conducted by Bureau personnel on meetings or other activities of each of the groups mentioned above under Section B, since last inspection. How many meetings and public speeches have been recorded by sources and/or Special Agent personnel with Bureau authority since the last inspection?
- I. List names and file numbers of most militant racial extremists in your division. Indicate whether each has been interviewed. If not interviewed, give reasons and advise plans concerning possible future interview.
- J. Comment briefly on liaison which you have established with local law enforcement groups, military agencies, and other United States Governmental agencies to insure information of interest concerning racial matters is both received and transmitted on a current basis as developed.
- K. What steps have you taken to insure an independent informant coverage on black and white extremist groups? This means informants operated exclusively by and for the Bureau and does not include police officers or police agencies from whom you receive information concerning activities of interest.

PART II. ADMINISTRATIVE ASPECTS

- A. Identify informant control files maintained on groups mentioned above or maintained concerning areas predominantly populated by Negroes. Identify control files maintained concerning informant intensification matters and concerning counterintelligence measures.
- B. Describe procedures in effect to insure prompt opening of cases on individuals identified as members or affiliates of black or white racial extremist groups. How do you insure prompt opening of cases on newly formed

black or white extremist organizations? Advise procedures in effect to insure continuous investigative effort is being afforded to key racial extremists.

- C. How do you insure pertinent information received from informants is promptly referred to local police authorities? Included in such information would be that which would make an arrest and prosecution of a racial extremist on local charges possible.
- D. Are your Agitator Index and Security Index cards current? How do you insure individuals meeting the criteria for these indices are recommended for inclusion?
- E. Describe procedures in effect to insure photographic album of key black extremists and those extremists who travel extensively is kept up to date.
- F. Identify those Agents who have black extremist groups, white hate groups, Klan groups, and other groups that can be expected to capitalize on eruption of racial violence assigned to them who have not developed informants in such groups and the reason why informants have not been developed.
- G. What administrative devices do you have which will insure that criminal information developed by racial informants is channeled to Agent responsible for monthly submission of FD-405 B (Informant's Accomplishments)?

PART III. OUTSIDE INFLUENCE IN RACIAL ACTIVITIES

- A. What steps are being taken to detect outside influence including foreign influences on racial activities? Summarize instructions given to sources and informants in this regard. Comment on specific and continuing efforts to detect foreign funding of black extremist organizations.

- B. As you know, in certain instances there have been New Left and communist influence noted in politically oriented black racial groups. Describe this situation as it applies to your territory. Be specific in your comments and cite examples. Give your analysis of the overall effect of the New Left, communist, and other subversive groups on black extremist organizations in your area.

PART IV. BLACK NATIONALIST MOVEMENT IN THE UNITED STATES

At the beginning of each month you are furnished a Racial Calendar for the month setting out significant events by date throughout the United States which are of interest from a racial standpoint. What use do you make of this calendar? Are your Agents handling racial matters and informants completely briefed on this information in order that they can take full advantage of the data? Explain.

At the same time you are also furnished a current list of Black Extremist Fugitives. Which Agents in your office handle these investigations? Is there close coordination between Agents handling racial matters and those handling fugitives, or do you have these cases assigned to Agents on your racial squad?

Comments of SAC requested.

Rev. 8/20/70

RACIAL MATTERS AND INFORMANTS

4-GG

SAC ROBERT E. GEBHARDT
10/23/70

PART I. INVESTIGATIVE ASPECTS

A. Since the last inspection the territory covered by the San Francisco Office has experienced no mass demonstrations, riots or confrontations of a racial nature. The period has been characterized as an organizational drive for minorities other than black. These other minorities are of the belief that the blacks through organizational activity, demonstrations and violence have gotten and are receiving a disproportionate share of Government funds and attention. All of these groups want what they believe is their fair share and that is one hundred per cent of all that is available. This development has had a sobering effect on black demands, by occupying their time attempting to hold on to their recent gains.

Spanish surname groups are the most advanced in their organizational activities, with Chinese groups following.

The violence problem involves the shooting of policemen and numerous bombings.

In San Francisco alone in 1970, four police officers have met violent ends. On 1/1/70, Officer ERIC A. ZELMS, age 22, was killed by two black robbers. On 2/18/70, Sgt. BRIAN V. MC DONALD was killed in the bombing of the Park Police Station. Those responsible have never been determined. On 6/19/70, RICHARD RADETICH was shot through the head in the early morning hours while writing a traffic ticket in the Haight-Ashbury District. Those responsible are unknown. On 10/19/70, Officer HAROLD L. HAMILTON was killed by a bank robber.

Outside of San Francisco, most notable incidents of the killing and wounding of police officers are as follows:

Black Panther Party (BPP) Capt. RANDY WILLIAMS on the evening of 4/17/70, with two others in Oakland, shot up a police paddy wagon being driven by two officers. Both officers were wounded. Weapons used were both automatic and conventional. Another police vehicle responding to the officers' in the paddy wagon call for help came under gunfire and was hit five times. Those responsible for the shooting who were fleeing in a stolen vehicle in order to effect an escape fired a shotgun and threw a hand grenade or bomb at

SAN FRANCISCO INSPECTION

4-GG

10/23/70

DET/jr

the police vehicle. A second grenade or bomb injured a bystander and her five year old daughter. As a result of Williams' participation he was indicted for attempted murder and is awaiting trial.

In San Jose on August 6, 1970, during the early morning hours, Officer Richard Huerta was seated in his police vehicle with a traffic offender who had run a red traffic signal. Emil Aubert Thompson, a San Jose State College law enforcement student, walked up to the police vehicle and emptied six shots at the officer, resulting in his death. The twenty year old bystander admitted the killing and claims the act resulted because he hates cops and subscribes to the BPP philosophy. His father is a veteran police officer and his brother a jailer of the Oakland Police Department.

In Berkeley on August 20, 1970 after midnight, Officer Ronald T. Tsukamoto was citing a motorcyclist for a traffic violation. A young black bystander engaged the officer in a brief conversation before pulling a gun and firing two shots at point blank range, fatally wounding the officer.

On August 7, 1970, a shoot-out occurred at the Marin County Civic Center, which is in the greater San Francisco metropolitan area. An unsuccessful attempt by three convicts and an accomplice to escape from a court room resulted in the death of a Superior Court jurist and three other persons, in addition, wounding a Deputy District Attorney and a juror. Angela Yvonne Davis, a self-admitted Communist Party member, a professed revolutionary and a recently dismissed Philosophy instructor at the University of California at Los Angeles, was charged with kidnapping and murder for her part in the abortive escape attempt. Davis was apprehended by the FBI in New York City on October 13, 1970 and is awaiting extradition to California.

An example of an act of extreme violence occurred on October 8, 1970 at 1:27 a.m. The same Marin County Civic Center where the judge and three others were killed was bombed by persons unknown. Partially destroyed was a Superior Courtroom which suffered extensive damage.

In the opinion of many, a definite contributing factor in the killing of police officers and other acts of violence by extremists is the BPP official publication, "The Black Panther". This weekly newspaper prominently features and eulogizes so-called revolutionary acts by any blacks.

There is every reason to expect a continuation of violence against police officers and bombings of public and military buildings.

Since the last inspection, no institution of higher education has experienced racial disruptions in the territory covered by San Francisco. Some gang-type trouble has been experienced in the high schools and these disturbances break down along racial lines but are unorganized. An example of such trouble occurred on October 20, 1970 at the Woodrow Wilson High School in San Francisco. The school has 2095 students, the vast majority of which are black. Gang warfare broke out between the blacks and Samoans. Only 25 Samoan students attend this school.

B.

Organization	Location (If covered by Resident Agency, indicate RA by name)	Estimated Active Members	Total Estimated Members, Active and Inactive	Identity of Sources & Informants Affording Coverage	Is Infor- mant Active Member of Organi- zation	File No. of Informant	
Black Panther Party	National Headquarters	19	35	SF 2496-R		170-570	
				SF 3056-R		170-67	
				SF 3079-R		170-48	
				SF 3215-R*			
				SF 3311-R	Yes	170-859	
				SF 3219-R	Yes	170-613	
		National Distribution	10	13	SF 3311-R	Yes	170-859
		San Francisco Chapter	20	31	SF 3259-R*		
	SF 3311-R				Yes	170-859	
	SF 3219-R					170-613	
SF 3374-R					170-976		
				SF 3375-R		170-922	
	Richmond	10	12	Charlie Reed (Ghetto) John Luther Hamm		170-969 170-732	
Nation of Islam	San Francisco	125- 130	125- 130	SF 2841-R	Member	170-70	
				SF 3124-R	Attends open meetings	170-72	
				SF 1377-R	Attends open meetings	170-110	
				SF 2341-R	Member	170-75	
				SF 2938-R	Attends open meetings	170-84	
				SF 3005-R	Attends open meetings	170-77	
		Oakland	25-30	25-30	SF 2341-R	Member San Francisco but provides coverage of Oakland Mosque	170-75

Estimated active members and Total Estimated Members, Active and Inactive are shown as the same figure because if a member is not active he or she is removed from membership. In addition to those members shown there are possibly a like number who attend open meetings one or more time out of curiosity but do not join.

<u>Organization</u>	<u>Location (If covered by Resident Agency, indicate RA by name)</u>	<u>Estimated Active Members</u>	<u>Total Estimated Members, Active and Inactive</u>	<u>Identity of Sources & Informants Affording Coverage</u>	<u>Is Inform- ant Active Member of Organiza- tion</u>	<u>File No. of Informant</u>
<u>Black Student Union</u>						
California State College, Hayward	Hayward RA	Inactive		SF 3056-R Dr. Lyle Edminson, Dean of Students.	No	170-613
Canada College, Woodside	San Mateo RA	20	59	John Rhoads, Manager of Services		
Chabot Junior College, Hayward	Hayward RA	Inactive		SF 3056-R Arthur Larsen, Dean of Student Personnel. Arthur Samuels, Student Activity Head.		
City College of San Francisco	Headquarters	5	40	Robert Hellsman, Dean of Students		
College of Marin	San Rafael RA	0	0	(Reorganizing as Black Asian Students Union)		
College of San Mateo	San Mateo RA	Inactive		John Darro, Manager, Student Activities. Lt. Harold Bogan, Security Officer		

113.

<u>Organization</u>	<u>Location (If covered by Resident Agency, indicate RA by name)</u>	<u>Estimated Active Members</u>	<u>Total Estimated Members, Active and Inactive</u>	<u>Identity of Sources & Informants Affording Coverage</u>	<u>Is Inform- ant Active Member of Organiza- tion</u>	<u>File No. of Informant</u>
Contra Costa College, San Pablo	Richmond RA	6	25	Clifford E. Mc Clain, Dean of Student Activities		
De Anza College, Cupertino	San Jose RA	15-20	35	Dr. Thomas Clements, Dean of Students		
Diablo Valley College, Pleasant Hill	Walnut Creek RA	40	200	Ben States, Chief Security Officer. Verl Henstraw, Dean of Student Personnel		
Foothill College, Los Altos	Palo Alto RA	14	37	Harvey Bradley, Dean		
Hartnell College, Salinas	Salinas RA	4	25	George Jordan, Dean of Student Activities		
Laney College	Oakland RA	21	98	Sgt. Stanley White, Oakland Police Department Intelligence Unit. Gordon Phillips, Dean of Students		

115

<u>Organization</u>	<u>Location (If Covered by Resident Agency, indicate RA by name)</u>	<u>Estimated Active Members</u>	<u>Total Estimated Members, Active & Inactive</u>	<u>Identity of Sources & Informants Affording Coverage</u>	<u>Is Infor- ant Active Member of Organiza- tion</u>	<u>File No. of Informant</u>
Merritt College	Oakland RA	38	72	PSI THOMAS COCHEE SF 2496-R	No	170-570
Mills College	Oakland RA	8	8	PATRICIA BRANEL, Dean of Students		
Monterey Peninsula College	Monterey RA	75	75-80	RUSSELL HANSEN, Trustee. WILLIAM STALLWORTH, PRI WILLIAM EBBS, PSI	No No	170-648
San Francisco State College	Headquarters	15	250	S.I. HAYAKAWA, President. Administrative Assistant to the Dean. WAYNE W. BERRY, Chief of Security		

Organization	Location (If covered by Resident Agency, indicate RA by name)	Estimated Active Members	Total Estimated Members, Active and Inactive	Identity Of Sources & Informants Affording Coverage	Is Informant Active Member of Organi- zation	File No. of Informant
San Fran- cisco State	Headquarters	15	250	SF 3060-S	Yes DON STEWART Security Dept SF State College	134-4080
San Jose State College	San Jose RA	9	30		MARY CLARK, Office of Student Activities ANTHONY ROMALUS, Security Dept SJ State College	
San Jose City College	San Jose RA	40	100	SF 3182-R	Yes	170-517
University of Santa Clara	San Jose RA	20	20-50	STEVE HOLEMAN, Dean of Student Affairs, GERALD MC GRATH, Dean of Students		
Santa Rosa Junior College	Santa Rosa RA	24	70	SF 2019-S	Yes	134
Skyline College, San Bruno	San Mateo RA	24	82	JAMES WYATT, Dean of Students,		
Sonoma State College, Rhonert Park	Santa Rosa RA	5	32	DE MAR CLAYSON, Chief Security Officer		

116

Organization	Location (If covered by Resident Agency, indicate RA by name)	Estimated Active Members	Total Estimated Members, Active and Inactive	Identity Of Sources & Informants Affording Coverage	Is Informant Active Member of Organi- zation	File No. of Informant
Stanford University	Palo Alto RA	6	25	THOMAS BELL, Chief of Police, Stan- ford Univers- ity		
University of California at Berkeley	Berkeley RA	20	47	SF 3147-R SF 3352-S	no no	170-- 134-4827
University of California Medical School	Headquarters	6	28	PETER J. LINDBERG, Acting Dean of Students		
University of San Francisco	Headquarters	12	25-50	Reverend ROBERT A. SUNDERLAND, S.J. Vice-President in Charge of Students		

117.

C.

<u>Location</u>	<u>Population</u>	<u># of Ghetto Informants</u>	<u>Other</u>
Fillmore (SF)	20,000	53	9
Bayview, Hunters Point (SF)	8,000	11	2
East Oakland Oakland RA	40,000	14	10
West Oakland Oakland RA	10,000	5	6
North Richmond Richmond RA	2,000	9	5
East Palo Alto Palo Alto RA	4,000	9	3
Marin City San Rafael RA	1,000	9	1

D. Plans to Expand Informant Coverage

all

There is presently underway a plan through which BPP leader ELLIS WHITE is to be compromised and an attempt will be made to forceably induce him to assist this office by virtue of the compromise. ~~He has already been photographed taking money from an Agent and plans to further entrap him are scheduled.~~ It is hoped this effort will result in coverage at the top level of the BPP.

A comprehensive interview program remains in effect under which all BPP members and ex-members are being interviewed at least once and many several times, depending upon their intelligence and the likelihood of their eventual cooperation. Money is known to be an essential factor and they are advised of its availability in exchange for their full cooperation.

The BPP is not presently accepting members; however, this office maintains several informants as close to the BPP as possible for immediate infiltration into the Party should the bar to new members be dropped.

The California Department of Corrections and Parole, local police departments, California State Bureau of Criminal Identification and Investigation, and all current criminal, racial, and security informants are reminded repeatedly of our continuing need for good quality informants. All the above-named agencies have at one time or another provided this office with the name of a potential source and continue to do so.

All Agents investigating extremist groups and/or individuals are constantly reminded of their responsibility to develop quality informants and neighborhood sources on each and every group and individual under investigation. The development of adequate live informant coverage in all areas receives constant and close supervision.

Black extremist groups under investigation and members targeted include the following:

Organization

Target

Black Panther Party

ELLIS WHITE
VAN TAYLOR
RAYMOND HEWITT
ANDREW AUSTIN

(These individuals were specifically targeted on authority of the Bureau for repeated interviews because of their positions as leaders in the BPP. In reality any member or leader of the BPP who becomes dissatisfied, disappointed, or irritated with the BPP or one of the leaders is immediately targeted for interview. The San Francisco Office is always alert to this possibility through established sources.)

Nation of Islam

(This organization has committed no violent acts and its membership has remained relatively fixed for over two years. Present informant coverage is considered more than adequate.)

In the past the BSU at San Francisco State College has been the only other Black Extremist organization worthy of note on college campuses. This organization has been practically emasculated; however, by the firm stand taken by San Francisco State College President S. I. HAYAKAWA. It is unlikely it will become a viable organization again this school year, but if it does, CSST 3060-S is a member and in a position to provide the needed coverage. In addition, JERRY VERNADO, an ex-BSU leader at San Francisco State has been interviewed with some success in the past and further steps are being taken to gain his confidence. BSU's on other college campuses in past years have not committed any acts of violence and established sources advise none are expected to occur this year.

E. Racial Informants Developed Since Last Inspection

<u>Informant</u>	<u>Coverage</u>
SF 3182-R	Racial, San Jose, Calif.
SF 3124-R	NOI
SF 3311-R	BPP, SFA
SF 3219-R	BPP, SFA
SF 3147-R	RM, Palo Alto, Calif.
SF 3331-R	RM, San Mateo, Calif.
SF 3285-R (Prob)(closed)	
SF 3107-R (Prob)(closed)	
SF 3284-R (Prob)(closed)	
PAUL STEPHEN WILLIAMS, R (Prob)(closed)	
PAULETTE CARPENTER, R (Prob)(closed)	
HILDEGARD MARY ANNE CROSSIER DENNIS, R (Prob)(closed)	

PAGES 271 thru 292
relate to interviews,
assignments and
recruitment of personnel
and are not pertinent
to instant inquiry.

Page 71 ✓ 2 P Leave in the words
"under the direction of the"

Diff page 93 we need to discuss last
2 sentences of last P

page 108 Krogh? ✓

page 159 ? Bocov - discuss

page 165 Should we delete
"friendly" in caption
(same for other map
report?)

If we do, I think we will have to
rework it all.
page 167 # 3 - "friendly" Why?

page 242-243 We should discuss
figures for unit
handling informants

page 253-259 I see no need to
delete Ellsberg

Page 291 Ellsberg

page 296 Ellsberg

page 297 "

page 305 "

PAGES 150 thru
248 relate solely
to CRIMINAL MATTERS

① Page 14 - 17 - Names of Clubs
exposed for CP but not
for SWP page 18-19 ^{leaves}
This alternating practise thereafter ^{all}
Any reason?

^{controversy}
CP CLUBS are small & specific & show
extent of our knowledge. SWPs are
large areas we would be expected to know.

Page 29 + Why not just excuse name
just bank of the Bank? Probably the
only bank they have acct at.

Page 42 - Should we eliminate reference
to E bar? If report is
classified secret as suggested,
I think OK to leave in. Agree

Page 44 electronic coverage - OK to Agree
leave in.

Page 45 member OK to leave in/OK

Page 48 TP 4 "What is 'sophisticated
coverage?'"

Page 55 Was SOBIR related to
SSC as a program? (see
also p. 95) Yes - (LHM hasn't gone yet)
4 C?

Page 56 Why excuse
" " anything else on
page except 12 --- sources?

Pg 59 I think OK to leave
in operate an effective
operation tower for about two
weeks from the upper floor
of a (obscure Chinatown Church)

Pg 60 / TP 3 Leave in Source
OK regularly contacts.

Pg 69 Was Deseco named as a
program in response to SSC
previous request (if request
related only to domestic
programs no problem. If
to all programs, these 3
Inspection reports will create
a problem - let's discuss, Brogan)

They know of DESECO thru program papers + thru MOI-105. I see nothing to hide.

Pg 71 I see no need to discuss
INS and foreign, OK, but I was thinking 3rd Agency

Pg 72-73 Let's discuss
Pg 74 " "
Pg 75 " "
Pg 76 " "

page 78. Last IP. - 1st line shows total informants; however, the 1st IP has # of informants deleted. → Delete total ✓

Last IP. shows total manpower handling security investigations. This s/h considered in light of next to last IP of cover re personnel. I just don't feel this is too sensitive. I can go either way.

page 81 - why the first 2 deletions? reveals ditto last IP "89 and 25"? ✓

page 95 - IP 2 why deletion? ✓
50 v. 600 would love to know how much or little attention we give to each category of potential spies

page 119. I believe entire 1st IP should be deleted as it exposes a sensitive technique. (See also P 139 - last IP)

page 126 Should we delete next to last sentence as a sensitive technique? or at least "... parole and probation officers" ✓

page 138 Last IP. Shouldn't we delete the specific results obtained? ✓

Through out - Shouldn't we delete initials of persons preparing addendum etc.

InformantCoverage

SF 3335-R (Prob) (closed)	
SF 3374-R (Prob)	BPP, SFA and RM
SF 3375-R (Prob)	BPP, SFA
SF 3246-R (Prob)	BPP, SFA and RM
SF 3391-R (Prob)	BPP, SFA
SF 3390-R (Prob)	BPP, SFA
SF 3399-R (Prob)	RM, SF Bay Area
SF 3398-R (Prob)	BPP, SFA
SF 3403-R (Prob)	BPP, SFA and RM
SF 3121-R (Prob)	RM, SFA

F. All ghetto and racial informants are solicited repeatedly for the names of individuals who they believe can possibly be of assistance to this office in providing the information needed in racial matters. This technique has proven to be of value as a source for new informants. Where possible, ghetto informants are utilized to cover public functions, rallies, or meetings sponsored by militant groups. They are provided assignments where compatible with their ability and encouraged along these lines so that their usefulness to this office is fully exploited.

All racial informants are constantly educated and reminded of the Bureau's responsibilities in the racial field and the need for timely, accurate intelligence information on all militant individuals and organizations and their activities. They are encouraged to engraft themselves with and to seek the companionship of individuals in positions of leadership and to spend as much time as possible in and around the offices and pads and in the company of individual leaders. Emphasis is placed on determining the likelihood of racial violence and the locating of weapons, ammunition, and explosives. Assignments are immediately given to resolve any rumors of the stockpiling of weapons or explosives. Successes are rewarded by increased payments and bonuses.

All Agents handling racial and ghetto informants have been repeatedly reminded to report and flash all statistical

accomplishments on FD-209's or informant contact memos. These particular memos are then routed to the racial informant coordinator who includes the statistics on the FD-405b submitted by him monthly.

G. All racial and ghetto informants have been alerted and are constantly reminded to immediately contact this office telephonically for instructions in case a racial disturbance appears in the making or is underway. All Agents are alerted to contact their sources by telephone or any way possible. The office maintains a ghetto informant card index filed by area. The card contains the informant's place of residence and employment and the telephone numbers so he can be immediately contacted should the disturbance be in the area he covers.

H. Surveillances are conducted at public meetings of the BPP, speeches by BPP leaders and at the airport when BPP members arrive and depart. Approximately 35 surveillances were conducted at BPP demonstrations and meetings, 45 speeches of BPP leaders and 30 departures and arrivals at the airport for an estimated total of 110. It is estimated that 30 speeches and meetings were recorded.

Some specific examples of BPP demonstrations and meetings are:

8/21/69 BPP demonstration, Hall of Justice, San Francisco.
8/29/69 BPP demonstration, Hall of Justice, San Francisco.
9/1/69 BPP sponsored fund-raising picnic.
9/12/69 BPP demonstration, Hall of Justice, San Francisco, re BOBBY SEALE.
9/16/69 Federal Building, San Francisco, BPP and Citizens to Support BOBBY SEALE.
9/17/69 Federal Building, BPP demonstration.
10/13/69 BPP demonstration at Alameda County Courthouse to protest suspended sentences of Oakland Police Department Officers who shot up BPP National Headquarters.
11/3/69 Federal Building, San Francisco, to protest binding and gagging of SEALE at his trial.
11/12/69 BPP demonstration at DeFremery Park, Oakland, to support NEWTON and SEALE.
11/15/69 Federal Building demonstration by BPP to End War in Vietnam.
12/1/69 BPP demonstration, San Francisco, against Air France.
12/9/69 BPP demonstration, Berkeley Municipal Court, to support DAVID HILLIARD.
12/11/69 BPP demonstration, Federal Building, to "Jail Pigs", "Out of Vietnam".
12/24/69 San Francisco City Hall re oppression.
2/11/70 Federal Building, San Francisco, re HUEY NEWTON.
2/15/70 Birthday benefit for HUEY NEWTON.
3/9/70 San Francisco Hall of Justice to protest extradition of HUEY NEWTON.
3/19/70 San Francisco Federal Building.
4/5/70 San Francisco Civic Center.
4/15/70 San Francisco Federal Building.
5/1/70 May Day meeting, Federal Building, San Francisco.
5/1/70 Provo Park, East Bay Area.
5/5/70 San Francisco Federal Building.
8/19/70 Civic Center Plaza, San Francisco, re Soledad Brothers.
8/24/70 San Quentin Prison re Soledad Brothers.
Numerous recent demonstrations at San Quentin re negro prisoners and Soledad Brothers.

I.

BPP LEADERS

<u>Radical</u>	<u>File #</u>
HUEY P. NEWTON	157-1203
BOBBY SEALE	100-53950
ELDRIDGE CLEAVER	157-4324
DAVID HILLIARD	100-51709
RAY HEWITT	157-3433
EMORY DOUGLAS	157-872
DON COX	157-1225
ELBERT HOWARD	100-60056
ROOSEVELT HILLIARD	100-59835
VAN TAYLOR	157-1970
MAURICE POWELL	157-2177
FRED BENNETT	157-2280

OTHER BLACK MILITANTS

CARLTON B. GOODLETT	100-26778
NATHAN HARE	157-1119

Of the above all have been interviewed except:

HUEY P. NEWTON and ELDRIDGE CLEAVER. NEWTON is under prosecution by Alameda County and is represented by the extremely anti-U.S. Government attorney, CHARLES GARRY. No plans are being considered to attempt to interview NEWTON. CLEAVER is out of the U.S.A. as a fugitive parole violator.

J. Liaison with major law enforcement agencies within the San Francisco area is specifically assigned to Agents on the Racial Squad. Liaison with other law enforcement agencies throughout the San Francisco Division is assigned to appropriate Resident Agency or Headquarters Agents; and this liaison includes campus police, parole authority, State Attorney General's Office, California Department of Identification and Investigations (CII) as well as county and municipal police.

A very close relationship with continuous exchange of information is enjoyed with San Francisco and Oakland, California Intelligence Units, both of which are aggressive, effective, units.

Close contact is also maintained with 115th Military Intelligence Group, Secret Service, Internal Revenue Service; and all State and Federal agencies are contacted immediately when information is received which should be disseminated to them. Likewise, San Francisco's liaison contacts insure that any information of interest to the San Francisco Division in the hands of local or Federal agencies will be furnished to San Francisco Division without delay.

San Francisco participates in bi-weekly conferences with intelligence agencies of the Army, Navy, and Air Force, one purpose of which is to review the potential for racial violence. The San Francisco racial supervisor regularly attends these conferences.

Very good relations are enjoyed by San Francisco with all local and Federal law enforcement and intelligence agencies.

K. Anytime a militant organization or group appears to be taking shape or a legitimate group appears to become militant a case is immediately opened on that organization. The first order of business then becomes the development of an informant from among the group and/or the infiltration of that group by an established source. All Agents are alerted to the need and requested to cooperate. It becomes the direct responsibility of the case Agent to follow and assure that adequate live informant coverage is available on the organization. When coverage decreases from loss of an informant for some reason, the need is again pinpointed and all Agents are requested to assist with suggested replacements. The assistance of all police agencies, parole and probation officers, State Attorney General's Office, ghetto, criminal and security informants is solicited in attempting to fill in any gaps in informant coverage. Close supervision is afforded informant development.

PART II. ADMINISTRATIVE ASPECTS

A. The racial informant control file in the San Francisco Office is 170-22. A separate control file has been opened to coordinate the development of a top level BPP informant (170-1030). The counterintelligence file is 157-601.

B. Individuals identified as members or affiliates of racial extremist groups come primarily from live informants and from the technical informant coverage. Channelizing memoranda are prepared by Agents handling live informants, the memoranda routed over the desk and new cases opened promptly where warranted. Information originating from technical coverage is reviewed daily by Agents who prepare individual memoranda. These memoranda are routed across the desk and new cases opened promptly.

The key racial extremists are kept in a pending status. Information from all sources are channelized to the files and these files are followed closely on tickler to insure continuous investigative effort.

C. The primary responsibility for reporting to the local police that information received from informants rests with the case agent handling the informant. The Agent when dictating the information received from informants remarks that the information was given to the local police. The supervisor when initialing the report for duplication checks to ascertain that proper dissemination has been made.

D. Agitator Index cards and Security Index cards are current. Case Agents have primary responsibility and squad supervisors reading reports and reviewing files on ticklers check to determine whether individual names of Subjects should be included on any index.

E. The Black Nationalist Photographic Album is maintained in the supervisor's office. Necessary changes are routed to the Squad #9 secretary who makes the changes or inserts the form into the album, and initials the accompanying letter. Case is assigned to an agent for periodic review.

F. There are no active extremist organizations in San Francisco Division in which the case agent has failed to develop an informant. It is to be noted, however, that the BPP case is assigned to SA RAYMOND N. BYERS who, because of enormity of the investigation, acts only in a coordinator

capacity. The overall investigation is handled by the racial squad and several informants have been developed as indicated in Part I, Sections B and E.

G. All Agents operating racial informants have been advised to report all statistical accomplishments in the criminal field on FD-209's or contact memos and to flash same for the attention of the racial supervisor. These memos or FD-209's are then routed to the racial informant coordinator for inclusion in the FD-305-B submitted monthly.

PART III. OUTSIDE INFLUENCE IN RACIAL ACTIVITIES (BPP)

The Legats and CIA have been continuously requested to observe foreign activities of persons and groups sympathetic to the BPP. Considerable material has been received relative to such organizations as BPP Solidarity Committees.

A close study is made of "The Black Panther" newspaper for evidences of foreign ideology.

All BPP bank accounts are regularly monitored to detect any possible foreign funding of the BPP.

The BPP does not have any indigenous philosophy, and has borrowed heavily from the writings of various world-wide revolutionary figures, particularly those from the Far East. However, except for repeating old Communist cliches, the policy of the BPP is basically oriented toward the problems of the people of the ghetto streets, the lumpen proletariat, as they call themselves. The BPP will accept help, both physical and financial, from anyone desirous of donating. However, they seldom help anyone else and, in fact, have engaged in an exchange of polemics with William Patterson, Negro spokesman for the CP, USA, which organization, in spite of a luke-warm effort to influence the BPP, has had very little visible effect on the course of the Party.

Informants have been alerted to report any such influence and careful review of all material received from technical coverage of the BPP is analyzed to insure any information pertinent to this problem is reported.

Top level informants in the NOI report no outside or foreign influence in this organization.

B. The effect of New Left and Communist influence on the BPP has been negligible. The BPP from the beginning has been almost solely interested in the problems of the community blacks, and while repeating Communist and/or Socialist type slogans, have seldom rendered any assistance to groups from these leftist organizations.

The BPP attorney is Charles Garry, former CP, USA member and leftist oriented thinker, who is, in all probability, responsible for the leftist slant to BPP publications, slogans, and teachings. The most prominent instance of the cooperation between the BPP and the white radical left came in the National Convention of the United Front Against Fascism (UFAF) held in Oakland, California, in July, 1969. Up to this time, the BPP had been an all-black movement, having as allies such "cultural nationalists" as Stokely Carmichael and James Forman. With the UFAF, it appeared that a major new development was on hand, as CP, USA and New Left leaders converged on the gathering and made speeches. However, a split ensued between all groups, i.e., between the blacks and the whites, and between certain elements of the radical whites. The CP, USA fell out with the New Left, the Jews criticized the BPP for its anti-Israel stance, and the PLP attacked and was counter-attacked by the others in the New Left. This grand design came apart and eventually Eldridge Cleaver began writing of the CP, USA in the past tense, and attacking Negro writers for the "Daily World" and the "Guardian". He engaged in a polemical discussion, in writing, with William Patterson, Negro spokesman for the CP, USA. Thus, a year or more later, it might be said that the BPP has little rapport with the CP, USA and its exemplar, the CP, USSR. The Soviet Union has received many criticisms in the pages of "The Black Panther" newspaper.

The New Left does maintain its relations with the BPP, seeking Panther support in anti-war demonstrations, and in such court cases as Los Siete de la Raza (six Chicanos accused of killing a San Francisco policeman), the Soledad brothers (three Negroes accused of killing a prison guard), and the Angela Davis case, as examples. The Party seems reluctant to get involved in any of these "causes", beyond printing routine articles in its paper concerning these activities.

As a follow-up to the UFAF type of activity in 1969, in 1970 there have been meetings of the Revolutionary Peoples Constitutional Convention sessions in Washington, D.C., and Philadelphia. While apparently inspired by Eldridge Cleaver or Huey Newton, or both, the idea has attracted the attention of New Left and Third World people, who now are busy at workshops drawing up drafts for the new constitution to be presented to the world on November 27 in Washington, D.C. There is small doubt that the results of this literary effort will reflect New Left and not BPP thinking. Of course, the BPP will go along with it, not being able to develop any clear ideas of their own, not being able to develop any clear ideas of their own.

In summation then, it has been the observation of this office that the "New Left" has little, if any, influence on the activities of the typical black militant organization, the BPP. The BPP will cooperate whenever it looks as if it would do them any good, but usually such ventures are on the terms of the BPP, and if it appears that the emphasis will be on something other than a BPP project, the Party will likely decline to participate. project, the Party will likely decline to participate.

PART IV. BLACK NATIONALIST MOVEMENT IN THE UNITED STATES

The Monthly Racial Calendar is posted on the bulletin board in the Supervisor's office and all agents have been instructed to pay careful attention to the items listed thereon. The calendar is also discussed in squad conferences and the agents are briefed in order that they can take full advantage of it.

With regard to the black extremist fugitives the substantive cases are handled on the Criminal Fugitive Desk as 88 cases (Desk #2). There is close coordination between those agents and agents handling racial matters and as an example of this our technical informant coverage has established that the following black extremist fugitives have fled the United States and are currently in Algiers:

BYRON VAUGHN BOOTH - FUGITIVE
CAA - PIRACY

NATHANIAL JEROME BURNS - FUGITIVE
UFAP - MURDER

LEROY ELDRIDGE CLEAVER - FUGITIVE
UFAC - BOND DEFAULT

DONALD LEE COX - FUGITIVE
UFAP - MURDER

RONALD BOYD HILL - FUGITIVE
ESCAPED FEDERAL PRISONER

LARRY NEIL MACK - FUGITIVE
UFAP - MURDER AND ARSON

GWENDOLYN JOYCE PATTERSON - FUGITIVE
CAA - PIRACY

JAMES JOSEPH PATTERSON - FUGITIVE
CAA - PIRACY

ADDENDUM

INSPECTOR ARNOLD C. LARSON: Racial matters and racial informants are handled on Desk #9 and supervised by Special Agent David E. Todd.
~~WLB/kah/jr~~
10/28/70

The following comments, observations and instructions are made on the basis of a review of the racial investigation and informant files, an analysis of pertinent data furnished by you, and discussion with supervisory and investigative personnel handling racial matters:

RACIAL MATTERS - GENERAL
SAN FRANCISCO DIVISION

The general overall picture of racial matters in your division is as follows:

Nine hundred and seventy pending racial matters (includes informants) handled by 23 Agents: 3 basic black extremist groups (the Black Panther Party [BPP]), Black Student Union [BSU] and Nation of Islam [NOI] with 41 chapters or pads comprising a reported membership of 1,564 (1,198 are BSU); 9 funds related to BPP traced; 51 institutions of higher education with total enrollment of 272,970, number who are Negro and other racial oriented extremists not identified; 6 ghettos with a total population of 85,000; 2 black extremist newspapers with a circulation of 143,000 covered by 14 Racial Informants (RI), 10 RI-Probationary (RI-Prob), 267 ghetto informants, who are primarily listening posts, plus 6 Confidential Racial Sources, and 2 additional excellent sources, namely SF 3215-R* and SF 3259-R*; only 4 informants in leadership position.

Since the last inspection, 65 acts of violence have occurred in the San Francisco Division which resulted in 503 arrests, 103 police officers injured (civilian injuries numerous, but unknown), and 11 deaths. Targets of violence included 9 institutions of learning, 9 Government and military institutions, 3 utility and 15 commercial establishments, 5 private residences, and 1 church, with total estimated damage of \$961,443. Included in the 65 acts of violence were 50 bombing matters in which informants of the San Francisco Office were unable to furnish information regarding participants and whether racial or other extremist oriented individuals were involved in these acts of violence. Acts of violence and figures concerning arrests and damages include violence caused by both black and white New Left militants.

Handwritten signature

Limited intelligence regarding stolen or stockpiling weapons of violence in files, however, a check with the California State Bureau of Criminal Identification and Investigation disclosed approximately 27,375 guns stolen per annum in the area covered by the San Francisco Office. The extent of racial extremists involved in these thefts is unknown, however, numerous thefts establish potential source for racial militants to obtain weapons of violence. ~~Twenty-eight~~ acts of counterintelligence, ~~4~~ fixed physical surveillances, along with ~~110~~ other physical surveillances, were conducted in connection with BPP activities. The numerous acts of violence and extensive damage to persons and property is indicative of the absolute need for quality in-depth informant coverage on all militant extremist groups.

San Francisco is the most important office in connection with the investigation of the BPP, whose National Headquarters is located in two adjoining buildings in Oakland, California. In addition, two other active chapters of the BPP are located in San Francisco and Richmond, California. The San Francisco Chapter has on its premises the National Distribution Office of the BPP where the weekly newspaper, "The Black Panther," is prepared. You have advised this paper has a circulation of about 135,000 copies per week and is distributed throughout the U.S. and abroad. As Office of Origin in the BPP investigations, your office has the task of coordinating the investigation of this extremely militant group for the whole country, resulting in an extremely heavy paper load in the administrative handling of this investigation.

It is imperative that investigations concerning this terroristic and militant organization be directed with the utmost imagination and aggressiveness to insure that the Bureau's responsibilities are fulfilled. The most important goal for your office is to develop quality member informants in order that the Bureau will be in possession of advanced information on all pertinent contemplated acts of this violence-prone group. Your progress in developing informants in the BPP has been limited, and the urgent need for the development of additional quality informants, particularly in the upper echelon of the BPP leadership, is apparent in order for the Bureau to fulfill the grave responsibilities in this field.

RACIAL MATTERS - PRINCIPAL AREAS
SAN FRANCISCO DIVISION

Headquarters

There are 460 pending racial matter cases in this area which are being handled by 16 Special Agents. There are 11 black extremist groups comprising a membership of 464, covered by 6 RIs, 9 RI-Probs, and 160 ghetto informants (primarily listening posts). In addition, Headquarters operates 4 Confidential Sources of Information and 1 technical source; 8 institutions of higher education with enrollment of 35,424; 1 black extremist newspaper with 135,000 circulation. Since last inspection, 15 acts of violence resulted in 41 arrests, 7 injuries and 5 deaths, with total damage of \$23,200.

Berkeley Resident Agency (RA)

There are 9 Special Agents assigned; 1 Agent primarily handling racial matters; 2 extremist groups with membership of 54 (1 BSU and 1 BPP Community Center); covered by 6 ghetto informants (primarily listening posts), no RIs or RI-Probs, 1 source of information; 1 institution of higher education with a student body of 27,749; 2 extremist newspapers published by the New Left with a circulation of 70,000; there were 21 acts of violence since the last inspection, resulting in 152 arrests, 32 injuries and 1 death, with total damages of \$402,008, bulk of which caused by white militants. Funds of 1 extremist group traced; covers population of 250,000 people, with approximately 30 per cent Negro; 1 BPP leader resides in the area covered by this RA.

Oakland RA

This RA is manned by 22 Special Agents, 3 assigned racial matters; 10 black extremist groups are comprised of 221 members (including 3 BSUs, 3 BPP pads and chapters, and 1 NOI), covered by 3 RIs, 1 RI-Prob, and 43 ghetto and 2 technical sources; 6 institutions of higher learning with enrollment of 20,794; 1 extremist newspaper with circulation of 8,000 copies; since last inspection, 9 acts of violence, no arrests or injuries, with estimated damage of \$25,000; 6 funds traced; 2 member informants (1 NOI and 1 BPP); RA covers population of 460,000, and includes 2 ghettos of 40,000 and 10,000 people; 5 BPP leaders reside in the area covered by this RA.

Richmond RA

This RA is manned by 3 Special Agents; has 2 black extremist groups comprising 35 members; 1 institution of higher education with an enrollment of 5,335; population 200,000, estimated 25 per cent Negro; no RIs, RI-Probs, 10 ghetto informants; 1 act of violence with no injuries or damage reported since last inspection.

Other Resident Agencies in the San Francisco Division Having Black Extremist Groups

<u>RA</u>	<u>No. of Groups</u>	<u>Acts of Violence</u>	<u>Coverage</u>
Eureka	0	0	2 ghetto informants
Hayward	2 (BSU - inactive)	2.	1 RI 9 ghetto informants
Monterey	1 (BSU) 3 schools	0	4 ghetto informants
Palo Alto	2 (BSU)	7 (310 arrests, 60 injured, \$352,600 damage)	1 RI 9 ghetto informants
Richmond	2 (1 BSU, 1 BPP)	1	10 ghetto informants
Salinas	1 (BSU)	1	2 ghetto informants
San Jose	3 (BSU)	1	1 RI 3 ghetto informants
San Mateo	3 (BSU)	0	1 RI 4 ghetto informants
San Rafael	1 (BSU)	5 (4 deaths, \$150,000 damage)	9 ghetto informants 1 Confidential Source

<u>RA</u>	<u>No. of Groups</u>	<u>Acts of Violence</u>	<u>Coverage</u>
Santa Cruz	0	0	1 RI
Santa Rosa	2	1	4 ghetto informants
Walnut Creek	1	3	2 ghetto informants

It is to be noted that there are schools of higher education located in each of the above-mentioned RAs.

In the past, there have been militant black student groups at San Jose State College and San Jose City College, the University of California at Berkeley, and San Francisco State College. These groups have been influenced by or have members who are extremists advocating violence-prone activities. The RAs covering the various universities throughout the San Francisco territory, as well as Headquarters City Agents, must develop adequate sources and informants in a position to report on black extremist involvement in campus disorders. In this regard, make certain that campus disorders are brought to the Bureau's attention in accordance with Bureau letter to all offices dated 1/31/69 captioned, "Black Student Groups on College Campuses, Racial Matters".

The coverage in the above RAs regarding racial matters points out the critical need for in-depth member informant coverage in all of the above areas to insure that you can accurately assess violence potential in the San Francisco Division. Although you have indicated that several of the BSU chapters have not been prone to violence or indicated any real militant activity, the potential remains, and adequate coverage of these groups is imperative.

You have advised that since the last inspection, the territory covered by your office has experienced no mass demonstrations, riots or confrontations of a racial nature. You characterized this period as an organizational drive for minorities other than blacks. The number of acts of violence which have occurred in your division would indicate that Negro militants could certainly have participated in some of these acts and your office must make certain that your coverage of extremist groups, whether

organized or independent, receives an aggressive approach in order that any participation by these individuals is known to you prior to their participation in acts of violence. Incidents which may not, on the surface, appear to be black nationalist oriented could certainly provoke a reaction on the part of extremists and lead to a civil disturbance in ghetto areas. This is particularly true in situations where local police make an arrest in a ghetto area where it does not take an incident of great magnitude to incite a riot.

NOI

You have indicated that you have two member informants covering the NOI Temple in San Francisco, as well as the NOI Temple in Oakland. Although the NOI does not advocate racial violence, at present they follow the line of preaching hatred to the white race. You should remain alert to the need for excellent coverage of the NOI and exert your efforts to improve your member coverage in order to remain alert to all activities of this extremist group.

Counterintelligence

It is noteworthy that you have completed 28 counterintelligence projects since the last inspection and currently have 3 under submission to the Bureau for approval. The accomplishments have included successfully cancelling a speech of BPP leader David Hilliard and Attorney Charles R. Garry. In addition, the counterintelligence resulted in the expulsion of some European members of the BPP. Imaginative counterintelligence proposals are continually needed in order to disrupt and confuse not only the BPP, but all other black extremist organizations and activities within the San Francisco Division. It is incumbent upon the personnel handling racial investigations to be aware of the tremendous importance to recognize opportunities to neutralize individual black extremists or black extremist groups. The black extremists have accelerated their terrorist tactics in recent months and local police have borne the burden of their attacks. The BPP, which is the vanguard of black extremism, has been responsible for many of the attacks on police.

asp { It appears that your attempt to compromise BPP Breakfast Program Chairman Ellis White has had some success and should be followed very closely in an attempt to complete phase 2 of this operation.

INVESTIGATIONS OF BLACK EXTREMIST ORGANIZATIONS AND INDIVIDUALS

All Special Agents handling racial matters investigation should be familiar with instructions set out in Bureau airtel to all offices dated 9/3/70, captioned "Attacks on Police, Extremist Activity". You should insure that instructions concerning the opening of cases in accordance with this airtel are followed.

You should make certain that personnel handling racial matters are completely familiar with the airtel directed by the Bureau to all offices dated 10/12/70 captioned "Black Panther Party, Racial Matters - Black Panther Party".

It is imperative that you are promptly instituting investigation of all black extremist organizations, as well as those individuals who are openly advocating violence, anarchy or insurrection. These investigations must be directed to promptly ascertain the aims and objectives, as well as the identities of the leaders and members. The extent of each group's involvement in the black nationalist movement must be determined promptly. You must be aggressive and imaginative, and these investigations should be pursued with the purpose of developing evidentiary material with a goal of prosecution.

The ever-present need to be alert for information concerning revolutionary extremists who may be planning hijacking of airplanes or kidnapping of government officials should be impressed on all personnel. Make certain the Bureau is promptly advised of all circumstances concerning this more current and important area of our work. Agents handling racial matters should be familiar with SAC Letter 70-18(C), which sets out guidelines for handling of bombings or arsons which appear to have black extremist or New Left connotations or modifications.

Make certain that personnel assigned to racial matter investigations are entirely familiar concerning the fact that active investigation of gun law violations should be conducted when these violations directly relate to any investigation of which the Bureau has primary investigative jurisdiction. This is particularly pertinent to investigations concerning the BPP, as well as other terroristic, extremist and hate groups.

Agents handling racial matters must be familiar with SAC Letter 68-74 (D) dated 12/24/68, which instructs that certain black extremists may be interviewed with SAC authority. Further, you should continue to make certain that where there are public rallies or demonstrations by extremists that appropriate steps to record speeches made at these gatherings by black extremists are being made. In this regard, you should obtain tape recordings of other speeches made by extremists which are heard within your territory.

Agitator Index (AI)

You have advised that you have 59 individuals listed on the AI, of which 30 are affiliated with black extremist groups. Out of the 30, 15 are affiliated with the BPP, including Charles R. Garry, BPP Attorney. Penetrative and aggressive investigation of black nationalist militant groups, as well as continued effective attention to white hate groups, should result in the increase of individuals placed on the AI. You should make certain that personnel recommending subjects for the AI also consider their inclusion on the Security Index when they possess the necessary criteria.

Racial Informants

As office of origin for the BPP, you have a critical responsibility for developing informants in this group who are knowledgeable concerning the overall activities of the BPP throughout the United States and especially knowledgeable concerning the activities of the BPP within your division. You have made some progress in developing informants in the BPP. However, this progress is limited and there is an urgent need for development of additional quality informants in this organization. The immediate need for informants in the racial field was shown earlier in this write-up where it was indicated that numerous acts of violence have occurred in your division since the last inspection in which you were unable to furnish information as to the participants or whether or not the violence was racial oriented. A particular weakness on the part of San Francisco has been to develop informants in the upper echelon leadership of the BPP who can furnish information concerning details of BPP finances and overall day-to-day activities in the BPP offices.

An example of San Francisco's weakness concerning informant coverage is noted in your file 157-5822, which concerns an allegation that two .50 caliber machine guns were located in the BPP headquarters in Oakland, as shown in your airtel dated 10/8/70. This file indicates a Dallas racial informant reported, among other things, that there were two .50 caliber machine guns at BPP headquarters. However, San Francisco informant coverage is such that you were unable to promptly confirm or deny this allegation. Your office should be in a position to immediately deny or confirm information concerning the physical layout and activities in the BPP headquarters. In connection with your effort to develop informants on a high level in the BPP, you have assigned two Special Agents exclusively to work on this matter. To date, you have indicated that the main obstacle which you have not been able to overcome is the problem of isolating an individual for a sufficient period of time so that he may be turned as an informant. It is imperative that you utilize all the resources available to your division to isolate these individuals and make certain that the personnel assigned to this program possess the imagination and aggressiveness necessary for this endeavor to be successful.

It is noted that authority was granted by the Bureau for your division to enter into a three-phase operation in an attempt to develop the head of the BPP Breakfast Program, ELLIS WHITE, as an informant. You have successfully completed Phase 1 of this operation and have advised during the inspection that you contemplate completing Phase 2 in early November, 1970. This operation should receive imaginative and close supervision in order to receive the success desired.

Overall Racial Informants

The comparative table set forth below shows the racial informants existing now and at the time of the last inspection.

	<u>Last</u>	<u>Current Inspection</u>	<u>Change</u>
Racial Informants	9	14	+5
Racial Informants (Probationary)	15	10	-5
Ghetto Informants (133 PRIs & 116 ghettos)	249	267	+18

The increase in the number of racial informants is noteworthy and this desirable trend should be continued. Bureau records indicate that you have 11 racial informants, 10 racial informant probationaries, and 281 ghetto informants. The difference between the Bureau records and the above tabulation is explained due to the recent approval of new racial informants and the closing of some ghetto informants. The development of sources, particularly in the Resident Agency territories where so many institutions of higher education are located, is an urgent need of the San Francisco Division. The favorable growth in the number of ghetto informants is noteworthy and necessary if the substantial need to increase the number of RIs and RI (probs) is met by your office.

Each of your racial informants and your probationary racial informants were rated and you have been advised individually of these ratings, which are set forth as follows in a tabulation for your ready reference.

	<u>Excellent</u>	<u>Very Good</u>	<u>Good</u>	<u>Fair</u>
Racial Informants	7	6	1	0
Probationary Racial Informants	0	3	7	0

The need for additional quality informant coverage cannot be over-emphasized, particularly since you have several areas that have experienced acts of violence where there are no racial informants and racial informant probationaries. Although you have indicated ghetto informants have been developed in some of these areas, you recognize that these informants are primarily listening posts and have not been able to furnish the quality intelligence information that is needed for the Bureau to fulfill its responsibilities in the racial field. You should insure that this matter of developing quality racial informants is immediately brought to the attention of all Resident Agents and efforts should be made to reverse this undesirable situation.

During this inspection, you were advised separately by "trend memoranda" concerning certain delinquencies in the handling of racial informant files. It is most important that Agents handling racial matter informants be completely familiar with Bureau instructions and that these instructions are followed explicitly. Make certain that all Agents are giving their informants assignments and are alert for evidentiary-type information, as well as intelligence-type information. Due to the sensitivity of informant files, you should continue to insure that these files are being afforded complete security and that personnel having access are mature individuals who can be expected to maintain them under the most secure conditions.

With respect to your ghetto informants, insure they are being given assignments, including attendance at public meetings held by extremists, survey of extremist book stores, verification of residence and employment of AI and SI subjects living or working in ghetto areas, identity of extremists agitating in local areas and information concerning youth gangs operating in neighborhoods in such a fashion as to increase racial tension.

You should remain alert to the fact that ghetto informants, in view of their unique positions in usually high-crime areas and since black extremists are involved in criminal activities, should also be obtaining criminal statistics in addition to racial-type information. In this connection, San Francisco, only five months out of the last 17 months, has furnished criminal statistics achieved through RIs, which includes ghetto informants. The field average in submitting criminal statistics from racial informants is 8 out of 17. Your office should devise a workable program wherein all criminal statistics achieved through racial informants are properly recorded and racial informants are given proper assignments.

In addition, make certain that personnel handling racial informants are utilizing the Black Extremist Fugitive List in connection with the National Photograph Album. Special Agents should be familiar with the instructions set out in Bureau letter to all field offices dated 8/29/70, captioned "Black Extremist Activities in Penal Institutions, Racial Matters".

Specific Informant Operations

It is noteworthy that your informant SF 3375-R (prob), who was originally opened as a ghetto informant, has been directed to attend demonstrations and functions sponsored by the BPP which are open to the public. As a result, this source was recently approached by ROOSEVELT HILLIARD, a BPP officer and asked to identify himself. Informant exhibited a seaman's certificate to HILLIARD and indicated he was an unemployed seaman and could not get work because of the establishment and indicated sympathy with the BPP. Since January informant has become quite acceptable to the BPP and has been permitted to visit National Distribution Offices in San Francisco. This informant's activities should be followed closely. If directed properly and encouraged, this informant could develop into an excellent source.

SF 3311-R is connected with the BPP newspaper and is, therefore, in a position to furnish detailed information concerning the composition of the newspaper, as well as other pertinent details which are necessary for our intelligence-gathering operations. In addition, this is essential for evidence to be used in connection with the possible forthcoming Smith Act prosecutions. Make certain you continue to give your informants proper direction so that full value can be obtained from their potential.

SF 3121-R (prob) and SF 3056-R appear to have potential for obtaining valuable racial information, as well as evidentiary information. It is imperative that these informants be utilized in such a way that their potential value is consummated.

Stockpiling of Weapons and Ammunition

Your control file 157-3021 captioned "BPP - WEAPONS AND EXPLOSIVES", and 157-1171, "Stockpiling of Arms and Ammunition", were reviewed and indicate that these matters receive almost daily attention from SF 3215-R*. It is imperative that all agents are constantly made aware of the tremendous importance of these matters and the need for quality informants to provide information in this field. During the current inspection, a timely example of the need for informants in this particular area was noted when the Oakland Police Department recovered a cache of weapons and explosives which included 20 sticks of dynamite, two dozen fire grenades, four grass grenades, two fragmentation grenades, three machine guns, including a .50 caliber military weapon, and other guns and explosives. They were recovered on 10/27/70, at the 55th Avenue Motel in Oakland.

Further, another timely example during the current inspection occurred when five individuals were arrested on a military reservation in your territory while doing target practice, including one using a rifle that was determined to be stolen from the military. These individuals were identified as former BPP members and associates. Again, the demand and absolute necessity for quality in-depth informants to apprise you of the individuals maintaining weapons of violence is apparent.

Make certain that all informants, both in the racial and criminal field, are properly alerted concerning thefts of weapons of violence in an attempt to determine if they are being stolen by individuals connected with extremist activities.

Observations

The BPP is noted for its terroristic nature and philosophy of violence. Never in our history have we been confronted with as critical a need for informant coverage in such a violence-oriented organization. Bombings, kidnappings, murder of police officers are all included in the violence performed by these militant fanatics. The ever spiraling crime rate, particularly in the ghetto, has provided additional fuel for the militant and malcontent. The racial situation is extremely serious and presents a perplexing domestic problem which cannot be over stressed. The vital role of the Bureau's personnel in the racial field is pressing and apparent. The Bureau is constantly being judged by our ability to develop timely intelligence, to identify the leaders, the direction of movement of all radical groups and, where possible, to predict potential trouble spots. To fulfill these grave responsibilities, we must have an efficient wide-spread network of intelligent, resourceful, aggressive, and quality informants and sources. The informant inadequacies which have been brought to your attention should be rectified as quickly as possible and all personnel should continually be alerted to the need for "member" informants so that all information relating to potential violence will be brought to the Bureau's attention.

INSTRUCTIONS

1. All Agents of your office, regardless of their assignments, must be aware of the urgent need for the development of an informant network which can provide accurate, timely and advanced information concerning the black extremists. Primary needs for informant coverage within the San Francisco Division is in the area of developing a live office employee operating within the BPP Headquarters in a clerical capacity, who can substantiate allegations and keep the Bureau apprised of daily operations of the Panthers. In this regard, recently developed ghetto informant DEBBIE NORMAN (170-1084) appears to be a likely prospect for this assignment. You are instructed to closely follow this informant in an aggressive and imaginative manner in an attempt to accomplish coverage within BPP Headquarters.

2. In-depth member informants of the black extremists are absolutely necessary. In this regard you are instructed to intensify your interview program and exert aggressive action to satisfy the urgent need for informants in the upper echelon of BPP leadership.

3. You should immediately designate informants on the peripheral of the BPP for priority attention inasmuch as BPP membership may open up at any time and should have some informants ready to move in. In this regard, current BPP member informants should be designated for direction to move into leadership positions should such positions develop.

4. You should aggressively pursue the potential for BPP informants through the infiltration of Panther pads. An individual properly directed could possibly be accepted in the pad which could not only provide coverage but lead to a BPP leadership position.

5. Investigation of all pads and community centers in your division should be followed closely to make certain that the black extremists are identified and investigated in accordance with Bureau instructions.

6. Make certain that all informants are alerted to the theft of weapons of violence in order that your office and the Bureau can be promptly advised of extremists involved in potential acts of violence.

7. The necessity for complete informant coverage is apparent and you should immediately instruct that where black extremist groups, including the Black Student Union, is located in your territory without coverage that efforts be made to correct this deficiency at once. In this regard, the recent change in Bureau policy permitting interviews of individuals under 21 years of age should be made known to all personnel handling these matters in an attempt to increase your informant coverage.

8. You should continue your counterintelligence program and be alert to any new schemes you might submit to the Bureau for approval to use in this regard.

9. You should consider the placing of all black extremist fugitives now handled on the criminal squads on the desk of the Racial Matters Supervisor. Further in this regard, you must make certain that all black extremists who are subjects of substantive cases on criminal desks are coordinated with the Racial Matters Desk.

10. You are further instructed to make the Monthly Racial Calendar available to all Agents in the San Francisco Office as well as the Black Fugitive Extremist List.

Comments of Supervisor DAVID E. TODD and SAC requested.

SUPERVISOR DAVID E. TODD:

The findings and observations of the Inspector have been reviewed and his instructions will be followed, with particular emphasis on increasing the number and quality of Racial Informants.

SAC ROBERT E. GEBHARDT:

Noted. Inspector's instructions will be carried out.

CRIMINAL INFORMANTS

4-H

INSPECTOR *A. C. LARSON*

During the inspection your
Criminal Informant Program

will be evaluated as to productivity and numerical progress as well as
from a program development standpoint.

GENERAL

1. Identify supervisor and coordinator.
2. Are any Agents assigned exclusively to this program? If so, identify.
3. Prepare a tabulation showing the number of CIs and Potential Criminal Informants (PCIs) now as compared to last inspection. Tabulation should also include number of CIs and PCIs in headquarters city and each Resident Agency. Show numerical and percentage gain or loss.
4. Prepare tabulation showing Agent participation in program using format set forth below:
 - a. Identify Agents spending 50% or more of time on criminal-type investigative matters, who have been so engaged for past year or longer, who do not have currently assigned qualified CI personally developed by that Agent.
 - b. Length of time such Agent assigned to criminal-type investigations.
 - c. If necessary to clarify, set forth nature of assignments such as general criminal, accounting, or other, together with percentage of time devoted.

SAN FRANCISCO

INSPECTION

4-H

OCT 16 1970

- d. Those Agents identified in #a above, who have developed qualified CIs in past five years but because of transfer, reassignment, or discontinuance of informant do not now have assigned a CI (furnish dates of development, discontinuance or reassignment).
- e. Number of PCIs currently assigned to Agents identified in #a above.

<u>Name</u>	<u>Years on Criminal Work</u>	<u>Nature of Assignment and % (If Needed)</u>	<u>Date Last CI Devel-oped</u>	<u>Date Disc., Reassigned, etc.</u>	<u>No. PCIs Now Assigned</u>
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- 5. Show payments to informants and compare with last inspection.
- 6. Identify any informants to be contacted by only one Agent. Set forth justification for this procedure.
- 7. What procedures and controls exist dealing with informant contacts after hours?

PROGRAM DEVELOPMENT

- 1. Briefly state overall objectives of your Criminal Informant Program. To what extent do your criminal desk supervisors participate in this program? (Do not include Criminal Intelligence Desks -- separate survey.)
- 2. Do you have standards or requirements by which you judge Agent's participation in program? Include specific comments regarding first-office Agents, Agents transferred in since last inspection, Agents assigned to your Division for more than one year.
- 3. a. List by supervisory desks handling criminal classifications, specific headquarters target areas (either geographically or by classification) selected for informant development efforts. Identify several for each desk and include examples for each criminal classification handled. Identify Agents specifically assigned to develop informants in each of above listed areas. Identify by file number informants developed.

151.

b. Same for each Resident Agency.

4. In order to maintain stability of your program and to insure CIs and PCIs are not "turned over" for turnovers sake, do you require Agents to submit a newly developed CI or PCI at time closing or discontinuing memoranda are submitted on old ones?

5. What administrative procedures do you have to insure your substantive supervisors are aware of and participate in informant program? Do they approve both opening and closing memoranda? Are they aware of productivity of CIs and PCIs handled by Agents assigned to their squads? How? Do you maintain a record of productivity by desk?

6. How often is Criminal Informant Program discussed by supervisors at squad conferences?

7. Do you keep statistics by Resident Agency (or road trip territory) on productivity of informants? Do you feel your informant coverage in each Resident Agency (road trip) is adequate? Where are the weaknesses? Handle each individually.

8. Do you feel your informant coverage in headquarters city is adequate? Break down by squad giving consideration to types of classifications handled by each.

9. What administrative devices do you employ to follow Agents working criminal cases in headquarters city and in Resident Agencies to be certain each is making maximum contributions to the Criminal Informant Program?

10. What steps are taken to eliminate the carrying of PCIs in a pending status for over one year, when during that time they have been unable to produce sufficient information to qualify as criminal informants?

11. Racial and ghetto informants have proven to be of valuable assistance in solution of numerous criminal cases. What provisions have you made to make these sources available to Agents working criminal work? How and to whom do they submit their requests for contact with these informants?

Criminal Informants

- 4 -

12. How much use is made of your Criminal Informant Index, broken down geographically and by type of information for purpose of directing certain inquiries to logical informants? Document.

Comments of SAC requested.

SAC GEBHARDT
(10/21/70)
JTM:mer

1. ASAC JAMES T. MORELAND
SA STANLEY J. HENNESSY

2. No

3. SYMBOL INFORMANTS POTENTIAL INFORMANTS TOTALS

LOCATION	SYMBOL INFORMANTS				POTENTIAL INFORMANTS				TOTALS			
	6/69	10/70	Diff	%	6/69	10/70	Diff	%	6/69	10/70	Diff	%
Headquarters	75	74	-1	-1.3	175	176	+1	+5.7	250	250	-	-
Berkeley	4	6	+2	+50	5	10	+5	+100	9	16	+7	+77.8
Eureka	3	2	-1	-33.3	1	2	+1	+100	4	4	-	-
Hayward	6	7	+1	+16.6	9	9	-	-	15	16	+1	+6.7
Monterey	5	5	-	-0-	3	8	+5	+166.6	8	13	+5	+62.5
Oakland	22	21	-1	-4.5	35	31	-4	-11.4	57	52	-5	-8.7
Palo Alto	2	3	+1	+50	5	8	+3	+60	7	11	+4	+57.1
Richmond	4	4	-	-0-	7	7	-	-	11	11	-	-0-
Salinas	2	3	+1	+50	7	4	-3	-42.8	9	7	-2	-22.2
San Jose	9	9	-	-0-	20	27	+7	+35	29	36	+7	+24.1
San Mateo	3	6	+3	+100	4	15	+11	+275	7	21	+14	+200
San Rafael	2	3	+1	+50	7	5	-2	-28.6	9	8	-1	-11.1
Santa Cruz	2	3	+1	+50	3	6	+3	+100	5	9	+4	+80
Santa Rosa	4	3	-1	-25	4	4	-	-	8	7	-1	-12.5
Walnut Creek	5	6	+1	+20	3	5	+2	+66.7	8	11	+3	+37.5
Totals	148	155	+7	+4.73	288	317	+29	+10.07	436	472	+36	+8.3

4.

Name	Years on Criminal Work	Nature of Assignment	Date Last Developed CI	Date Disc. Reassigned Etc.	Number of PCIs Assigned
MALOY	2 1/2 Assigned San Francisco 6/16/69	Selective Service Matters	None	None	4
WOLFARTH	10, Assigned San Francisco 7/14/69	ITSP, Fraud By Wire	19 69	R - 7/69	5
MAVITY	2 1/2	88s Top Ten Program Relief Supv.	4/69	C - 8/69	3

5. Comparative Disbursements

<u>Month</u>	<u>8/1/68 through 5/69</u>	<u>6/1/69 through 9/70</u>
June		1517.91
July		1787.00
August	845.00	1676.10
September	755.00	1520.00
October	1715.00	2233.00
November	1095.00	1670.00
December	1510.00	2623.60
January	1270.00	1138.00
February	1215.40	1510.00
March	1300.00	2397.00
April	2520.00	1460.00
May	2514.40	1303.00
June, 1970		1308.00
July, 1970		1703.00
August, 1970		1195.00
September, 1970		1248.00
	<u>\$14,739.80</u>	<u>\$26,289.61</u>

6. None

7. Agents contacting informants outside of normal working hours obtained supervisory approval for these contacts prior to making them and make appropriate notations on their #3 cards. Supervisors thereafter, during file reviews with Agents, check with them regarding those contacts and spot-check informant files to insure after-hour contacts were made and appropriately recorded.

PROGRAM DEVELOPMENT

1. The overall objectives of the criminal informant program are to develop high quality informants who are in a position to furnish valuable information on a continuing basis.

Criminal desk supervisors participate in the program by remaining alert to the necessity of having good informant coverage in the criminal classifications which are covered by their respective desks. The supervisor is also required to approve any expenditure made to an informant

- 7 -

for information or services concerning any case handled on his desk and in this way will be aware of the progress of the program as it relates to their desk. The supervisors also follow the Agents' activities in this regard on an individual basis to insure that they are fully participating in the informant program.

2. The San Francisco Office does have standards which requires all Agents assigned one year or more to this division should conform to and that is they should have a minimum of four PCIs or one CI and two PCIs or two CIs assigned at any one time. This, of course, is by no means considered a maximum and many Agents participate more fully in the program.

There are currently no first office agents assigned to this division and when an Agent is transferred to this division and assigned to criminal work he is expected to show some progress by the end of sixty days and within one year he is expected to be in compliance with the above standards.

3. A.

DESK 1

Accounting Matters
Supervisor H. ERNEST WOODBY

DESK 7

Applicant Matters
Supervisor ROBERT D. ROBY

These two desks are being handled as one unit inasmuch as the only true criminal classification handled by both desks are deserter fugitive cases, which are split alphabetically between the desks.

SA HENRY L. GAIDIS is the only agent who spends more than fifty per cent of his time on Squad 1 on deserter matters and SA FRANCIS J. O'HARA is the only agent on Squad 7 who spends more than fifty per cent of his time on these matters.

156.

SAs GAIDIS and O'HARA have been specifically assigned to develop informants who can give coverage in fugitive deserter matters and they have concentrated their efforts in specific areas where deserters are most likely to be found, as set forth below:

137-5670	South of Market Street Area
137-5355	North Beach Area
137-5094	Tenderloin and North Beach Areas (homosexuals)
137-5477	Tenderloin and North Beach Areas (homosexuals)
137-5738	Haight - Ashbury and the Fillmore (Negro ghetto area)

DESK 2

Bank Robberies - Major Case
Supervisor BRYON C. WHEELER

Special Agents assigned to Squad 2 have been instructed to continually be alert to develop top quality informants in order to carry out the responsibilities in their investigative fields. The work on the squad is broken down into two major categories, the first of which includes bank robberies and kidnappings. Agents specifically assigned to develop informants in this field are SAs MONTE A. HALL, FRANCIS J. COLLOPPY, JR., THOMAS J. PADDEN, ARDEN F. KEITH, ELDEN LOEFFELHOLZ, and WILLIAM R. tenBENSEL. The following informants have been developed in this field:

137-5473
137-2686
137-2961
137-2864
137-4999
137-4290
137-5308
137-1934

137-4867
137-4680
137-5260

The second major category handled on this desk is the 88 - Fugitive cases and agents specifically assigned to develop informants in this field are SAs RICHARD C. DU BRUILLE, CLARENCE A. BROM and MICHAEL G. KEALEY. The following informants have been developed in this regard:

137-5469
137-5426
137-4294

DESK 3

General Criminal Desk
Supervisor MORRIS M. DE JEAN

The main criminal classifications handled by this desk are ITSMV, Theft or Destruction of Government Property, Crime on Government Reservations, Crime on the High Seas, Probation and Parole Violators, Bond Default Fugitives, and Crime Aboard Aircraft and Air Piracy.

It is noted there are several major military installations within Headquarters City, including the Presidio and the U. S. Naval Shipyard at Hunters Point, as well as numerous Government buildings.

In the ITSMV field SAs DANIEL J. BUCKLEY and EDWARD C. SAUER have been assigned to develop informants and in this regard the following have been developed:

137-470
137-3528

The fugitive classifications handled off this desk are distributed among the various members of the squad and in these classifications SAs BERLYN H. CLOW, JAMES E. TARLETON, JR. and GARY D. MINYEN have been specifically assigned to develop informants and the following are informants developed in this regard:

137-5291
137-2164
137-5425

Regarding the Government reservations, it is noted that specific liaison assignments have been made in regard to these but inasmuch as persons normally contacted on these bases are Government employees contacted on an official basis, they are not considered appropriate for development as CIs and are bound to furnish information as part of their duties. It is noted, however, that the Hunters Point Naval Shipyard is in a predominantly Negro area and two PRIs, 170-845 and 170-241, are under development at that location by SAs assigned to this squad.

Regarding the air piracy and crime aboard aircraft violations, it is noted all major airports are located within Resident Agency territories and coverage at these locations will be covered there.

DESK 5

TFIS and ITSP Matters
Supervisor GLENN A. HARTER

A major category on this desk is civil rights matters but inasmuch as this classification does not lend itself to the development of informants it will not be covered in this write-up.

In TFIS matters the following agents have been assigned these cases and have been instructed to develop informants in this field: SAs F. STEPHEN OSBORN, DAVID C. SUMMING, JAMES R. ECHOLS, RALPH V. FINK, STEPHEN L. JENKS, and MARSHALL H. FELDMAN. In this regard the following informants have been developed:

137-5202
137-5538
137-5358
137-4826

The following agents handle primarily ITSP matters and have been instructed to develop informants in this regard: SAs ELLSWORTH F. HEMINGWAY, FREDERICK A. GROS, and EARL W. BAKER. In addition, a major source of information in this field was developed by SA JOSEPH T. FOX, JR., who was recently transferred to the Hayward Resident Agency, and is still contacted by SA FOX. The following are informants developed in this field:

137-1966
137-5547
137-5168
137-4458

DESK 6

Selective Service Matters
Supervisor RAY M. ANDRESS

It is noted all agents assigned to this desk work Selective Service matters and have been instructed to develop informants that will be of assistance in this classification.

It is also pointed out that this desk has numerous subjects that fall in the radical left and Black militant category. Anytime these subjects, when interviewed, appear to be cooperative in any degree their names and addresses are furnished to the appropriate desk for consideration as development to an informant.

Members of this squad continually endeavor to develop informants in Black neighborhoods, homosexual hang-outs, and cheap hotel areas where most fugitive Selective Service subjects are located.

The following informants have been developed in this regard:

137-4948
137-4876
137-139

It is noted a number of agents on this squad are recent transferees into this office and there is a total of thirty PCIs currently under development by members of this squad.

B.

BERKELEY RA

The Berkeley RA encompasses a large populous metropolitan area and its primary investigative problems lie in the security field. There are four agents assigned to the

Berkeley RA handling primarily criminal matters and they are SAs WILLIAM H. SMITH, JR., TUVAL V. FARQUHAR, ROBERT F. PEVAHOUSE and LEON H. BLAKENEY.

Due to the varied nature of the criminal work existing in the Berkeley RA and the relatively small area covered by the Berkeley RA, no specific targets have been designated for informant development, but all agents working criminal matters are constantly alert to the necessity of having good informant coverage. The following informants have been developed:

137-4547
137-3910
137-4723
137-5238
137-109

EUREKA RA

The Eureka RA is a one-man RA handled by SA RICHARD GUY MILLER and covers Humboldt and Del Norte Courty, which are both rural in nature. All classifications in this territory are handled by SA MILLER and in view of the nature of the RA, no specific targets have been designated for informant coverage. Two informants have been developed in this territory and give general criminal coverage. They are as follows:

137-2613
137-3685

HAYWARD RA

The Hayward RA covers the southern half of Alameda County and has been a rapidly expanding RA in population and has developed into a large trucking area with a population of approximately half a million people.

The major criminal problems in this RA have been TFIS and ITSMV violations.

In this regard, SA SAMUEL A. MILLER has been specifically directed to develop informants covering TFIS violations and SA PAUL M. CARPER, JR. has been directed to develop informants in the ITSMV field.

The following informants have been developed in this regard:

137-5402
137-5011
137-5175

The remaining informants in this RA furnish general information regarding criminal and fugitive matters.

MONTEREY RA

The Monterey RA covers a territory that is rural in nature and its main industry is tourism and agriculture. There are four agents assigned to the Monterey RA which handle primarily criminal classifications and they are SAs FRANK W. MITCHELL, WARREN A. COOK, MAX H. FISCHER and LESLIE L. VANNATTA. Two problems exist in the Monterey RA territory and they are a large hippie-type population residing within the RA territory and the town of Seaside, California, is basically a Negro ghetto type area. The agents assigned to criminal work have been instructed to establish as much coverage as possible in these two areas and the following two informants have been developed in this regard:

137-5255
137-5778

The major criminal classifications worked in this RA are Selective Service matters, deserter matters, theft and destruction of Government properties matters, crime on Government reservations (it is noted Fort Ord, a major Army camp, is located within the RA territory), with a sprinkling of other criminal classifications. The following three informants provide general criminal coverage for the entire RA territory:

137-4008
137-3258
137-4601

OAKLAND RA

The Oakland RA covers the northern half of Alameda County and is the largest RA, personnel wise, within the San Francisco Division. In this regard, its problems, as related to criminal investigations, are very much the same as Headquarters City.

The following is a list of agents working criminal matters who have been assigned to develop informants in the specific classifications they primarily are responsible for, along with a list of informants developed for coverage in these files:

Bank robberies and major case matters are handled by SAs DONALD F. HALLAHAN and WILLIAM P. O'CONNELL. The following are informants developed in this regard:

137-2752
137-3121
137-213

In ITSMV, DGP, CGR, air piracy and aircraft hijacking matters the agents handling them are SAs DAVID ROBERT EVANS, THOMAS C. MC GEE and CHARLES SPYROPOULOS. The following is a list of informants developed in this regard:

137-5470
137-5161
137-5235
137-5326
137-5073

Handling TFIS and ITSP matters are SAs EWING H. RAUCH, JR. and R. JAMES WILLIAMS. In this regard, they have developed the following informants:

137-3515
137-4674
137-5480
137-4497
137-5088

Agents handling Selective Service matters and deserter matters are SAs ROBERT M. LEONARD, DONALD E. LOVEJOY, GEORGE W. SMITH and GEORGE P. WILLIAMS, JR. In this regard, the following informants have been developed:

137-5342
137-1667

PALO ALTO RA

The Palo Alto RA is basically a metropolitan area and its investigative problems are primarily in the security field. The agents working the criminal classifications in the Palo Alto RA are SAs TROY F. WILDER and JEAN G. HUGHES. There have been no specific target areas assigned in Palo Alto due to the general nature of the criminal assignments given these two resident agents. The following informants have been developed, giving general criminal coverage to the territory covered by the Palo Alto RA:

137-1807
137-5031
137-5518
137-5815
137-975

RICHMOND RA

The Richmond RA covers northwestern Contra Costa County with its basic population located in the City of Richmond itself. As related to criminal investigations, its one problem area in the Richmond RA is the Negro ghetto area located in North Richmond. There are two agents working criminal matters in this RA, GERARD JAMES NORTON and RICHARD L. WEAVER. Inasmuch as the above-mentioned ghetto area is their primary problem area, they have been instructed to develop informants, giving as much coverage as possible for this area. In this regard, the following informants have been developed:

137-2818
137-5287
137-2575
137-5091

SALINAS RA

The Salinas RA is a two-man RA working primarily criminal matters. The territory is rural in nature and its primary industry is agriculture.

In view of the nature of the territory no specific target areas have been designated and SAs THOMAS P. DOWD and CARL A. GOSTING have developed the following informants which provide general criminal coverage in their territory:

137-5452
137-5099
137-5594

SAN JOSE RA

The San Jose RA territory covers a large metropolitan area with a population in excess of 800,000 people. Eight of the ten SAs assigned to this RA handle criminal case assignments at least fifty per cent of the time.

There has been a high incidence of bank robberies in the territory and specific efforts have been made to develop informants by SAs WILLIAM N. KIDWELL, JR. and FRANCIS M. CONNOLLY which would provide information in this regard and they have developed the following informants:

137-4215
137-5350

The remainder of the criminal work in the RA is general in nature and no specific assignments have been made to develop informants and no agent has been specifically assigned to the development of informants in the RA. In addition to the above informants, there are five other symbol informants furnishing general criminal information and three informants furnishing information in the criminal intelligence field.

165.

SAN MATEO RA

The San Mateo RA covers a large metropolitan area, including the San Francisco International Airport. There is a large volume of work at this airport and SAs WAYNE J. MORRISON, JOHN F. BRESLIN and EDWARD C. SERNETT have been instructed specifically to develop informants providing coverage of criminal matters relating to it. In this regard, the following two informants have been developed:

137-5204
137-5501

There have been no other specific targets picked for development of informants in the RA territory and in addition to the above two informants, there are four other informants furnishing general criminal information within the territory.

SAN RAFAEL RA

The San Rafael RA territory includes Marin and Napa Counties. All criminal work in Marin is handled by SA DAVID D. THOMAS and one problem has been the City of Sausalito, which has a large hippie population, and specific efforts have been made to develop an informant who could provide information concerning this element, and in this respect, SA THOMAS has the following informant:

137-5396

In addition to this informant SA THOMAS has an informant providing general criminal information in Marin City, California, which is a Negro ghetto area. This informant is 137-3167.

SA ELWIN N. WEGNER handles all criminal work in Napa County, which is basically rural in nature and no specific target areas have been picked for this county. It is noted, however, SA WEGNER has developed an informant providing general criminal coverage for the City of Napa and this informant is 137-5421.

SANTA CRUZ RA

The Santa Cruz RA is a three-man RA with two agents, PATRICK J. HAGGERTY, JR. and JOSEPH A. DUSHEK, handling the criminal work in this area. The territory covered by this RA is basically rural in nature and no specific targets have been picked for this territory. It is noted, however, three CIs are currently being handled in this RA and in addition, they have a symbol racial informant and a top echelon criminal informant target. These informants are as follows:

137-4132
137-5651
137-5280
137-5112
170-613

SANTA ROSA RA

Criminal matters in the Santa Rosa RA are handled by SAs WILLARD E. BASEMAN and DOUGLAS R. AHLSTROM.

The Santa Rosa RA covers three rural counties of Sonoma, Mendocino and Lake, comprising some 7000 square miles in area. The bulk of criminal activity is located in and around the headquarter city of Santa Rosa, California (Sonoma County). Informant coverage has been established in the legalized cardrooms and night clubs in this area.

Coverage in the counties of Mendocino and Lake is limited to the close personal relationship with deputy sheriffs that cover the remote areas of these counties, which principal industries are logging and ranching.

There are no principal targets for informant development, such as shipping companies, railroads, airports, or large industries. Coverage has been established in gambling, 137-3976 and 137-4486. In night clubs, coverage has been established with females, 137-5819 and 137-5818, both of whom are furnishing quality information and will be converted as CIs.

In deserter and Selective Service matters, hippie coverage is maintained in Guerneville, California (Sonoma County) through 137-5462. This latter town is largely a summer resort town for the area, but does have a hippie population in the winter months as well. Also, in the Indian and Mexican deserter fugitive matters, 137-1412 gives coverage to the skid row section of Santa Rosa, California.

WALNUT CREEK RA

Criminal investigations in the Walnut Creek RA are handled by SAs RUDOLPH H. MANCINI and FRANKLIN S. BURROUGHS.

This RA covers a territory which consists of several large "bedroom" communities and a large section that is rural in nature.

The only problem high crime rate area in the territory is the City of Pittsburg, which is a Negro ghetto-type area and specific efforts have been made to develop informant coverage in this area. The following informants have been developed and furnish general criminal and racial information for the Pittsburg area:

137-674
137-5079

In addition, the RA handles four other informants and they are:

137-3135
137-5395
137-3529
137-4685

4. Yes, in line with the answer to question two above, agents are expected to submit a replacement at the earliest possible date.
5. Supervisors participate in the informant program in that they must approve all expenditures to informants furnishing information in classifications handled on their respective

desks. In this way they are aware of the productivity of the informant program as it concerns them. Also, if there is any particular problem concerning the handling of a particular informant, a supervisor is expected to assist and give guidance to the agent handling this particular informant. Supervisors are also regularly reminded of the importance of the informant program at supervisors' conferences and follow their individual agents to insure that they are fully participating.

Supervisors in this office are not required to approve either closing or opening memoranda on informant files. No record is kept of productivity of informants by desks, however, this information is readily available through the monthly statistical letter submitted on informant production inasmuch as each statistic is reported by classification.

6. Agents are reminded of the criminal informant program and their responsibility to participate in it at each biweekly squad conference.
7. Informant statistics are not kept by RA or road trip territory, however, this information would be available if it were necessary to obtain it by review of the particular informant files that are providing coverage in these areas. Our informant coverage in each RA area is considered adequate at this time and no particular weaknesses are noted. However, efforts are made on a continuing basis to try to improve coverage in all areas.
8. It is felt that informant coverage at Headquarters City is adequate at this time, but as indicated in number seven above, a continuing effort is made to improve this coverage.

Regarding the coverage provided by each criminal desk, it is noted that as of October 12, 1970, the following CIs and PCIs are being handled off the respective desks:

<u>CI's</u>	<u>PCI's</u>
Desk 1	
3	2
Desk 2	
15	14
Desk 3	
7	17
Desk 5	
11	27
Desk 7	
2	3
Desk 6	
3	30

The classifications handled by the above listed desks are set forth in question three above.

9. Administrative devices used to make certain agents are making maximum contributions to the criminal informant program are that the agents are followed on an individual basis through file reviews and supervisor conferences to insure they are meeting the criteria as set forth in question number two above. The criminal informant files are also specifically reviewed on a semi-annually basis at the time the semi-annual LHMs are submitted to the Bureau. It is also noted files are checked at the time they are posted on a continuing basis.
10. Informant files are reviewed at the end of the first year they have been opened on an individual basis and if they have been unproductive the agent is advised to close the case and replace the PCI with a new one.

If the PCI has been productive the agent handling him is advised to convert him to a criminal informant. If it is a questionable matter it is discussed with the agent handling the PCI on an individual basis and a decision is reached in this matter inasmuch as the agent is in a better position to make the judgement as to the potential of this particular PCI.

11. All agents in the San Francisco Division are aware of the racial and ghetto informant program through participation. If an agent has a case that he feels warrants contacting of ghetto informants he will dictate a memorandum setting forth specifically that they should be contacted by the particular agents handling them.
12. No actual record is kept of how much use is made of the geographical criminal informant index. However, it has proved to be a valuable tool in determining who the logical informants are to contact in any given situation. This has saved many investigative hours by making easily available to each agent the particular type of informant coverage he might need.

ADDENDUM
INSPECTOR ARNOLD C. LARSON
10/27/70
LSM/jb

All criminal informant (CI) files and a representative number of potential criminal informant (PCI) files were reviewed during this inspection. Following review, a memorandum disclosing the rating afforded in each file has been forwarded to you for inclusion in the respective file.

Your office is currently operating 145 CIs as compared to 141 CIs being operated at the time of the last inspection. There is also an increase in the number of PCIs under development at this time to 271 as opposed to 250 under development during the last inspection. These figures do not include Top Echelon informants or targets for development which are commented on separately under the Criminal Intelligence Program. This represents a slight increase in the number of CIs and a more substantial increase in the number of PCIs under development. However, there is a slight decrease in two large metropolitan areas, namely, San Francisco and Oakland, which though slight represents a static situation as to increasing coverage in these areas. The Oakland Resident Agency has also recorded a decrease in the number of PCIs under development. In analyzing the coverage in the resident agencies, it was noted that Monterey, Richmond and San Jose have the same coverage from CIs as during the last inspection although Monterey and San Jose have shown a substantial increase in the number of PCIs being handled. PCIs under development in Salinas and San Rafael are down somewhat, although this too in part is off-set by the increase in the number of CIs being operated. In view of the Bureau's increased responsibilities, it is absolutely essential that a strong criminal informant program be maintained and in fact expanded if the Bureau is to meet these increased responsibilities.

QUALITY

All of the CI files were reviewed during this inspection and the following ratings were given to the CIs presently being operated by this office:

Excellent	14
Very Good	36
Good	78
Fair	12
Poor	3
Not Rated	2
Total	<u>145</u>

The two files which were not rated are SF 3308-C, SF file 137-5342 (Bufile 137-22463) and SF 2290-C, SF file 137-213 (Bufile 137-3071). Because SF 3308-C furnishes information principally as a result of his employment in the U.S. Army, Personnel Center, Oakland, California Army Base, this informant should be discontinued as a CI and converted to a Confidential Source. SF 2290-C was recently reopened on the basis of having provided a service to Department of Justice attorneys and the Bureau but has furnished no criminal information for an extended period of time and had been in a closed status since 3/10/69. This informant should also be discontinued as a CI and considered as a Confidential Source. You should appropriately advise the Bureau that this action has been taken.

The following informants have been rated Fair and they should be given specific assignments for a period of 90 days in an attempt to improve their productivity. At the end of that period of time you should advise the Bureau of reasons for continuing them as informants or that they are being discontinued.

<u>Symbol Number</u>	<u>San Francisco File Number</u>	<u>Bufile Number</u>
SF 3258-C	137-4999	137-21270
SF 2712-C	137-3352	137-10786
SF 3320-C	137-5425	137-22726
SF 3119-C	137-4547	137-18815
SF 2966-C	137-4265	137-15784
SF 3313-C	137-5168	137-22503
SF 3348-C	137-5594	137-23437
SF 2684-C	137-2613	137-10351
SF 3303-C	137-5161	137-22387
SF 3095-C	137-4080	137-18823
SF 3072-C	137-4674	137-17879
SF22793-C	137-3135	137-9744

The following informants were rated Poor and should be closed immediately:

<u>Symbol Number</u>	<u>San Francisco File Number</u>	<u>Bufile Number</u>
SF 3226-C	137-4427	137-20833
SF 3166-C	137-5091	137-19341
SF 3257-C	137-4888	137-21264

A representative number of PCIs were reviewed and were rated as follows:

Excellent	4
Very Good	10
Good	31
Poor	1
Insufficient Data to Rate	37
	<u>83</u>

The following PCIs have been under development for a period in excess of one year and should be closely followed and directed for a period of 90 days in an attempt to qualify them as CIs. If at the end of that time they have not furnished sufficient information to qualify as CIs they should be closed.

137-5486
137-5483
137-5474

File 137-5485 has also been open for a period in excess of a year. This PCI has furnished no information since September 1969. This file should be closed. This PCI was rated "Poor."

AGENT PARTICIPATION

You have indicated Special Agents JAMES P. MALOY, CARLTON H. WOLFARTH and GARY N. MAVITY have spent 50% or more of their time on criminal type investigative matters during the past year but do not currently have assigned a qualified CI personally developed by them. Further comment is being set forth later in this addendum concerning these Agents.

PAYMENTS

A review of payments indicates that your office paid an average of \$1,473.98 a month to informants during the period immediately preceding the last inspection. For the period immediately preceding this inspection, an average of \$1,643.10 was paid to informants each month. A spot check of payments made to CIs and PCIs indicated value was being received for the money paid. You should insure that your personnel are alert to the use of monetary payments to enlist the further cooperation of informants by compensating them for expenses incurred in pursuit of information for this Bureau and as compensation for their effort on the Bureau's behalf. You should continue to closely evaluate informant payments to insure that value is received for money paid.

ACCOMPLISHMENTS

According to Bureau records your office shows increases in 4 of the 8 statistical accomplishments attributable to informants and it is noted that these increases have occurred in matters concerned directly with FBI investigations.

PROGRAM DEVELOPMENT

You have indicated a rather extensive involvement of supervisory personnel in directing informant development to those areas of responsibility coming within the scope of their respective desks. Referring to Government reservations and military installations, you indicated you do not consider Government employees appropriate for development as CIs as they are bound to furnish information as part of their duties. Your attention is specifically directed to

Section 108, I-12, Volume 4, Manual of Instructions, which states informants should be developed on Government reservations and military installations when warranted. In view of the large installations located within your territory, it is suggested you identify particular areas of these installations wherein informant coverage would be logical and productive and give consideration to pinpointing such areas for development.

You have also indicated that Supervisors approve payments to informants and in this way are also aware of the productivity of the informant program. However, it is noted that approval of payments provides a rather limited assessment of the productivity of informants and points out the need for a continuing evaluation of respective coverage. Supervisors must constantly be alert to identify specific areas in which informant coverage would be logical and productive.

OBSERVATIONS AND RECOMMENDATIONS

You should give consideration to the development of informants on Government reservations and military installations as suggested by the Manual of Instructions.

In a number of instances, it was noted there was no follow-up on incomplete information furnished by informants. In such instances, the informant was not recontacted any sooner than required by the 30 day contact rule, which would indicate a lack of direction of the informant to further develop information of interest. The need to give informants direction to develop information to the point it can be considered useful and valuable should be brought to the attention of all appropriate investigative personnel.

There were few instances noted during review of the CI files wherein FD-302's had been utilized in recording informant information. It is recognized that much information regarding fugitives and possible suspects does not require

such recording but in view of the recent passage of Senate Bill 30 which will greatly expand the opportunity to utilize informant information, you should make certain all personnel are aware of those instances in which informant information should be recorded on an FD-302 and the proper method for so recording it.

Numerous areas have been identified in your territory as being the habitat of ethnic, ghetto and hippie elements, many with a high incidence of crime. To provide a better over-all view of the coverage in San Francisco and the heavily populated East Bay area and to facilitate a more convenient, ready reference for the agents of your office to this information, you should consider preparing a large wall map of the San Francisco - East Bay area and placing it in a central secure position in the office. In addition to criminal informants, you should include the location in which racial and ghetto informants will logically be able to furnish information and you should identify the location of all these informants on the map with an appropriate locator reference to an index showing the agent to whom the informant is assigned and the coverage which informant can be expected to provide.

EXPLANATIONS REQUESTED

Explanations are requested from SA's JAMES P. MALOY, CARLTON H. WOLFARTH and GARY N. MAVITY as to why they have not developed a qualified criminal informant during the past year.

Comments of SAC, ASAC and SA STANLEY J. HENNESSY requested.

SA STANLEY J. HENNESSY, ASAC JAMES T. MORELAND
AND SAC ROBERT E. GEBHARDT: The Inspector's analysis of
the Criminal Informant Program
has been reviewed by each of us. It has been the goal of
this office to develop quality informants that can furnish
information concerning violations within the jurisdiction of
the Bureau. As noted by the Inspector, we have increased our

number of CI'S since the last inspection and have increased the number of PCI'S since the last inspection. We have also increased our payments to informants and no instances have been found where we did not get value received from these payments to informants. We have achieved excellent statistics from them as indicated by the fact that at the close of the last fiscal year we were ahead in all eight categories of informant accomplishments. This is our continuing goal and we will make every effort to surpass these accomplishments in the coming months. The observations, instructions and suggestions of the Inspector will be immediately complied with and this program will continue to receive close supervision in order to get maximum results in connection with our work.

SA JAMES P. MALOY: Since my assignment to the San Francisco
10/28/70 *JPM* Office, I have developed 4 PCI's. I am
presently handling 4 PCI's. One PCI,
STEVE VINSON (137-5565) can be qualified as a CI as soon as
additional background information is obtained. I will
immediately develop this background information and he will
be qualified as a CI. In SF 25-75571 PCI Steve Vinson (137-
5565) furnished information on which investigating Agents
located and interviewed subject (Mosely). In 25-7475 PCI
Steve Vinson (137-5565) furnished information on which
investigating Agents located the subject (Malagone). PCI
Vinson is in a position to furnish information on Deserters,
SSA fugitives, hippies and narcotics. In 25-73123 PCI
Jay Wilson (137-5790) furnished information re fugitive
Jonathan Pitts. In 25-72710 PCI Dewey A. Parker (137-5566)
furnished information which resulted in the location of
subject Arsene Joseph St. Amand, Jr. I recognize the
importance of the Bureau's informant program and will make
every effort to develop other CI's.

SA GARY ~~MAVITY~~ MAVITY:
10/28/70
GNM:jl

In the period of time I have been assigned to criminal work I have handled a number of PCIs with a view to the qualification of them as approved Criminal Informants. In the past year since I last had an approved Criminal Informant I have handled several PCIs including one who previously was the prime factor in the apprehension of a Bureau fugitive wanted for the murder of a police officer. This PCI has since furnished information of value which was relayed to the local police in a burglary case. He has been given the assignment to develop further information concerning local suspects in the handling of stolen merchandise from this and other burglaries.

In the past year I have been unable to devote a great deal of time to the development of this and other PCIs due to having been utilized as Relief Supervisor in the absence of the regular supervisor and because of the time necessary to prepare and present lectures at police schools on legal matters.

I am aware of the importance of the Criminal Informant Program and will continue efforts to develop a qualified Criminal Informant and expect to qualify the above-mentioned PCI in the very near future.

SA CARLTON H. WOLFARTH:
10/28/70
CHW:ekk

I am extremely aware of the need to develop CIs and have had a total of nine PCIs in San Francisco during the time I have been in San Francisco.

I arrived in the San Francisco Division, 7/13/69, on transfer from the Chicago Division. It is to be noted that I developed CG 7215C in 1967. This informant had either worked for or was close to the top men of organized crime in Chicago, Miami and New Orleans. At one time, through a court order, this informant was wired with a microphone and tape recorder so information could be obtained in an Obstruction of Justice case. I had at least one other informant while I was handling the above informant, and handled both until leaving Chicago.

The potential of the four PCIs which I opened on 8/24/70 and the one which I opened 10/19/70 appears promising and it is anticipated that at least one will develop into a CI in the near future.

My assignments in San Francisco have been mainly ITSP - FBW investigations which are complicated and involve reviewing records and interviews with banks, brokerage house and other business officials. I had one excellent opportunity to develop a good CI when LOUIS MARDER, Las Vegas furnished me on 2/27/70 and 3/2/70 the original information which led to the recovery of \$650,000 worth of Avco Thrift Certificates at Las Vegas. MARDER as recently as 10/27/70, furnished me valuable information. He cannot be developed into a CI because he lives in Las Vegas and is under Federal indictment in Miami.

I am sorry that this delinquency on my part happened. It is regretted and I will not let it happen again.

STATISTICAL ACCOMPLISHMENTS

4-K

INSPECTOR *Arnold* C. LARSON: The following tabulation sets forth a comparison of the statistical accomplishments of the San Francisco Division for the fiscal year 1970 as compared with the prior year and the comparison of the first three months of fiscal years 1970 and 1971:

<u>Fiscal Year</u>	<u>Convictions</u>	<u>Fines, Savings and Recoveries</u>	<u>Fugitives</u>	<u>Automobiles Recovered</u>
1969	362	\$14,752,745	894	181
1970	331	16,068,593	981	212
Percent of Change	-9%	+9%	+10%	+17%
<u>First three months fiscal year</u>				
1970	78	\$15,143,633	254	95
1971	49	9,615,755	299	96
Percent of Change	-37%	-37%	+18%	+1%

As will be noted from the above, this office failed to attain the high level of achievement with respect to statistics in fiscal year 1970 in the category of convictions. It should be the aim of the SAC and all

SAN FRANCISCO INSPECTION
4-K
10/26/70
ACL:mal

supervisory personnel to surpass the prior year's accomplishments in all four categories of convictions; fines, savings, and recoveries; fugitives apprehended; and automobiles recovered.

The Bureau by letter dated 7/13/70 called this to your attention and pointed out that each SAC must exhibit aggressive sound leadership in the future. It pointed out that failure to meet this challenge reflects most unfavorably upon the SAC's ability as an administrator and an FBI official. The SAC was instructed to take immediate steps to analyze the investigative and supervisory programs and take corrective action where necessary.

As will be noted for the first three months of the current fiscal year (FY), your convictions are deficient by 37% as are your fines, savings, and recoveries. This is a continuation of a most undesirable trend.

In analyzing the lack of convictions, it was noted that you had a decline in the Theft From Interstate Shipment classification of 39% in fiscal year 1970, and a continuation of this downward trend during the first three months of the current FY. In the Selective Service category during the first three months of FY 1971 you obtained only 9 convictions as compared with 21 in the prior year for a decline of 57%. This number of convictions seems very low when considering the fact that as of 9/30/70 you had pending in this office 2257 cases in this category.

During first three months of current FY there has been a decline of 87% in the ITSMV category (1 vs 8) and a decline of 86% in the Theft of Government Property classification (1 vs 7). In addition, no convictions were obtained as of 9/30/70 in the Interstate Transportation of Stolen Property category and you had pending in the office 307 cases.

Your accomplishments seem very low for your investment in manpower.

It was noted that as of 10/1/70 there were no vacancies with respect to Federal judges, U. S. Attorneys, or Assistant U. S. Attorneys, which might reflect unfavorably upon your statistical picture. You advised the Bureau that you had 352 subjects under indictment and several hundred Selective Service cases pending prosecution which indicates you may have the potential for correcting this situation before the end of the year.

Comments of following supervisors are requested concerning reasons for the declines in categories listed and action being taken to correct:

Supr. HARTER regarding TFIS and ITSP.
Supr. ANDRESS regarding Selective Service Act.
Supr. DeJEAN regarding ITSMV and TGP.

Comments of SAC also requested.

SAC GEBHARDT: The Inspector's observations, analysis and instructions have been noted. He is assured that this Division recognizes its responsibilities in this important category of operations. Every effort will be made to make certain that we do fulfill our responsibilities and that we show an increase in all four categories of statistical accomplishments as soon as possible and definitely by the end of the current fiscal year.

Supr. ^{let} ANDRESS: Concerning the decline of Selective Service
10/28/70 statistical accomplishments for the first
three months of 70-71 as compared to 69-70,
it will be noted that in an endeavor to expedite these
matters through the U.S. District Courts, a conference was
held on February 26, 1970, with the U.S. Attorney for the
Northern District of California at San Francisco, Mr. James L.
Browning, representatives of the California State Selective
Service System, the local Selective Service System and
three members of the U.S. Department of Justice. Continual
weekly contacts are made with the U.S. Attorney to expedite
these matters and again on July 10, 1970, a conference was
held which included the U.S. Attorney, San Francisco, the
Director of the California State Selective Service System
and the Director of the National Selective Service System,
Mr. Curtis Tarr, along with attorneys for the national
Selective Service System and representatives of the U.S.
Department of Justice. These matters are followed closely
with a minimum of two contacts a week being made with the
U.S. Attorney. It will be noted that many of these matters
have been postponed as many as six to eight times in U.S.
District Court and several conferences have been had with
former Chief U.S. District Court Judge George B. Harris, and
on 10/15/70 U.S. Attorney James L. Browning discussed these
matters with the new Chief U.S. District Court Judge of San
Francisco, Oliver B. Carter. Every effort has been made
through sources available to this office to expedite these
matters in U.S. District Court. It will be noted that as of
10/14/70 the San Francisco Office had 414 outstanding
indictments. 57 of these are fugitives that are out of the
country and since that date, on October 14, 15 and 21, 1970,
an additional 39 indictments have been obtained giving a total
of 453 outstanding indictments. The total Selective Service
matters presently awaiting Federal Grand Jury action is 749.
The decline in statistics in the Selective Service category is
due to the lack of action on the part of the U.S. District
Court Judges due to the lack of enthusiasm and the coddling
of these cases by the U.S. District Court Judges. It will
be noted that several of these cases have been under submission
to U.S. District Court Judge CARTER for over one year. I will
continue close aggressive liaison with the U.S. Attorney and
U.S. District Courts and endeavor to increase the statistical
accomplishments in this category.

SUPERVISOR DE JEAN:
10/28/70

The Inspector advised that there has been a decline of 87% in ITSMV classification (1 vs. 8) and a decline of 86% in the TGP classification (1 vs. 7). These two classifications are supervised by me on Desk 3 of this office.

The following tabulations are set forth below which set out the convictions of this desk from 7/1/70 to 10/16/70, the date the inspection commenced, as compared with a like period the preceding year, 7/1/69 to 10/16/69.

	<u>7/1/70-10/16/70</u>	<u>7/1/69-10/16/69</u>
Classification:		
26s	5	10
52s	6	8
70s	12	5
76s	4	0
115s	0	1
164s	1	0
TOTAL	28	24

One of the main reasons for reduction in convictions in the 26 classification this year over last year is the Departmental guidelines pertaining to ITSMV matters. The combination of the 52-70 convictions this year is 18, as compared with 13 last year. I realize that the 26 and 52 convictions independently are below last year, but every effort is being made to achieve and thereafter exceed the goal set during the preceding year.

I constantly stress to those Agents in Headquarters and the Resident Agencies which cover sources of 52 matters, government reservations, transport facilities (shipment of government property), to be constantly alert to obtain those matters which should be investigated by the FBI.

In addition, I would like to point out that I will continue to take all necessary steps to exceed this year in the statistical accomplishments of this squad over the previous year.

I would like to point out that I have taken the necessary steps and will continue to do so in compliance with Bureau instructions to streamline the ITSMV matters and handle only those that are fully justified and at the same time pursue those that are justified towards convictions.

~~SI~~ SUPERVISOR GLENN A. HARTER:

ITSP Matters

There was a gain in ITSP matters of one conviction in fiscal year 1970 (seven) over fiscal year 1969 (six).

On 9/24/70, the San Francisco Office obtained one conviction in the ITSP field (BUfile 87-111262, SFfile 87-31516). We have every reason to believe there will be a large percentage increase in statistical accomplishments in the ITSP field for fiscal year 1971. We have a large amount of quality cases offering an excellent potential for statistical accomplishments. At the present time we have four individuals indicted in the 87- category. Additionally, we have eleven other subjects wherein we believe indictments will be obtained. Two of these matters have already been discussed with the USA, who has indicated he will seek indictments. Additionally, we have two 87- cases awaiting pleas under Rule 20 in other field offices.

In view of the above, we anticipate that we will have at least seventeen convictions in the 87- field by the end of the fiscal year 1971, plus any other cases that might be reported to us. There is every reason to believe in 1971 that we will not only equal but considerably exceed the statistical accomplishments that we obtained in 1970. As noted above, we expect to at least double the amount of convictions obtained last year.

Mention should be made here to accurately present the accomplishments of the squad in this category that as a result of information obtained and developed by one of the agents, the Las Vegas Office was able to recover \$650,000 of Avco thrift certificates (BUfile 87-108171, SFfile 87-30355).

TFIS Matters

The decline in convictions in this category has been a matter of great concern, and every effort is being made to reverse this situation. The Bureau has been kept advised in detail of this situation. This decline in convictions during fiscal year 1970 was a direct result of a change of policy in the USA's office concerning the prosecution of these cases. The high volume of convictions obtained by the San Francisco Office in past years was attributable to the policy of taking

petty offenders before the USC on the day that they were apprehended and on that same day they would usually be sentenced after a guilty plea. The USA's office noted in a letter dated 7/11/69 that a review by their office of cases presented to them in past years disclosed that almost none of the offenses involved TFIS thefts where the value of the goods exceeded \$100 and that over 95 per cent of the cases referred to the USA by the FBI had been handled by the USC under the Assimilative Crimes Act. The USA's office has recently had conferences with the San Francisco PD and the San Francisco District Attorney and has informed them of their policy not to prosecute minor thefts of cases involving less than \$100 and has urged the San Francisco PD and District Attorney to accept and handle these cases.

At the time of the current inspection, the San Francisco Office has obtained eleven convictions compared to twelve convictions obtained last year at this time. Although we are down one conviction compared to last year at this time, there is every reason to believe that we will exceed last year's accomplishments, as we have some good cases pending prosecution.

As noted above, the type of case we are handling now as compared to those in the past, is one that is more likely to produce a high recovery value, and it should be noted that the amount recovered to date during the current fiscal year is \$159,000, as compared to \$6,000 last year.

I have personally discussed the prosecution of TFIS cases with USA JAMES BROWNING, as well as several of his assistants, pointing out the need for prompt indictment and prosecution. The Bureau is aware, of course, of the change in personnel of the USA's office, including the USA. Another reason for the fact that we have not exceeded last year's number of convictions is the cases currently pending prosecution have been assigned and re-assigned several times to different AUSAs, as there has been a large turnover in their staff. There are currently three new attorneys which handle the majority of these prosecutions, none who have been in office more than several months, and as the files will reflect in those cases offering a potential for prosecution, they have stated they have not as yet had an opportunity to review the case, since it had just been recently assigned to them. USA BROWNING has advised that he is making every effort to obtain faster indictments and subsequent prosecution

of these cases, and he hopes with additional experience on his part and on the part of his staff that cases will be handled in a more expeditious manner.

Additionally, I have personally called upon local businessmen in the transportation industry who are a source of these cases, as well as having had frequent discussions with local police and District Attorney LOWELL JENSEN of Alameda County and Chief Criminal Deputy H.F. CLIFFORD of San Francisco County, in order to apprise them of the Bureau's policy and obtain more cooperation in these matters.

As noted above, we are only one conviction behind our record of last year at this time and most definitely feel that we will exceed our number of convictions obtained in fiscal 1970. I base this optimistic forecast on the fact that the tremendous expenditure of Squad #5 agent time last year in connection with civil rights cases will not be duplicated in fiscal 1971 and that this tremendous amount of investigative time can be directed toward securing additional statistical accomplishments in those classifications handled by Squad #5.

General Observations

In order to accurately present an over-all picture of the accomplishments of Squad #5, it should be noted that in fiscal year 1970 nine convictions were obtained in the 43-classification against four for the previous fiscal year, and we have obtained one so far this fiscal year.

Additionally, much of the efforts of this squad have been directed towards the handling of the civil rights cases which grew out of the People's Park riots in Berkeley in 1969. Currently indicted are twelve Alameda County sheriff deputies and former deputies. It is estimated approximately 800 to 1000 interviews have been conducted by the squad in connection with the civil rights cases, all of which have had very short period deadlines. The USA has just commended this office by letter dated 10/21/70 for the extremely able investigative efforts and other assistance given to the USA's office. These trials are currently scheduled. One took place in October; another is scheduled for 11/2 and the tremendous amount of time and attention given to these civil rights cases has taken that investigative time away from other classifications that might be more productive statistically.

Concerning the fact that the office is currently deficient under the category fines, savings and recoveries,

it should be pointed out here that a report has been submitted to the Bureau wherein a recovery value of sixty million dollars was claimed, which added to the fines, savings and recoveries, will put the office well ahead of last year in this category. (BUfile 44-23710, SFfile 44-842).

4-M-1

BANK ROBBERY SURVEY

Inspector *CLW* ARNOLD C. LARSON: Information concerning the bank robbery survey supplied by the San Francisco Office is reported in Section 4-M-1 of the work papers of this inspection. The following observations and comments regarding bank robbery matters are based upon a review of all pending origin cases, a selection of closed and auxiliary office cases, related control files, discussions with appropriate personnel assigned to these cases, and a review of the techniques and procedures used by this office.

SOLUTIONS

According to Bureau records the San Francisco Office from July 1, 1968, through September 30, 1970, had a total of 356 violations of the Federal Bank Robbery Statute consisting of 311 robberies, 23 burglaries, and 22 larcenies.

Of these violations 227 robberies, 13 burglaries, and 14 larcenies for a total of 254 are solved. During this same period, 31 additional violations of the Statute which occurred prior to 7/1/68 were also solved.

As of 9/30/70, there are 77 robberies, 3 burglaries, and 5 larcenies pending unsolved in the San Francisco Office. Of these, 8 robberies and one larceny occurred prior to 7/1/68. A comparative tabulation of violations and solutions which occurred during the period of the last inspection and current inspection are set out below:

Last Inspection Period;
July, 1968 to July 2, 1969

Current Inspection Period;
July 2, 1969 to October, 1970

BR - 76 of 130 (58.5%)

142 of 190 (75%)

BB - 0 of 8 (0%)

8 of 13 (61%)

BL - 3 of 5 (62%)

11 of 16 (68%)

TOTAL - 79 of 143 (55.1%)

161 of 219 (74%)

As reflected in the tabulation above, your overall solution rate of bank robbery matters since last inspection has increased 19% which is a very favorable trend. This solution rate is indicative of the conscientious effort made by Agents of the San Francisco Office in this most important area of the Bureau's responsibilities. You should insure that all investigative and supervisory personnel continue this effort to effect solutions in these cases.

The 86 unsolved cases in the San Francisco Office will require continuous aggressive, imaginative effort inasmuch as experience has shown that as time passes the solution rate in bank robbery and bank larceny cases drops drastically.

It is noted all convictions obtained by the San Francisco Office for bank robbery violations have been handled in the U.S. District Court and it is noteworthy that you have perfected liaison to the point where these matters are being handled exclusively by the Federal government.

The differences between your figures and Bureau figures is accounted for since Bureau figures are as of September 30, 1970, and the San Francisco Office figures are as of October 16, 1970.

Those areas requiring further attention in bank robbery matters are those consisting of the greatest areas of population; that is, Berkeley, Oakland, San Jose, and Headquarters. In the case of Berkeley, it is suggested that greater efforts be made to obtain informants connected with the New Left element inasmuch as this area has the greatest student population in the San Francisco Bay Area and members of the SDS and other revolutionary groups have indicated a propensity for violence including bank robbery.

DELINQUENCIES

The chart listed below is an indication of the delinquencies in the 91 category since the last inspection:

<u>Month</u>	<u>Pending 91's</u>	<u>Number Delinquent</u>	<u>Percent Delinq.</u>	<u>Percent Crim. Delinq.</u>	<u>Percent Overall Delinquent</u>
9/70	381	17	4.5	4.9	4.5
8/70	394	9	2.2	4.0	3.9
7/70	354	11	3.1	4.5	4.4
6/70	350	12	3.3	4.4	4.4
5/70	380	14	3.7	4.7	4.9
4/70	404	9	2.2	4.3	4.5
3/70	386	13	3.3	4.7	4.6
2/70	408	16	3.9	4.9	5.0
1/70	392	23	6.2	5.3	5.4
12/69	396	20	5.2	6.2	6.0
11/69	389	18	4.8	4.4	4.5
10/69	379	18	4.7	4.4	4.6
9/69	378	20	5.2	4.3	4.9
8/69	352	19	5.3	4.6	5.2
7/69	290	12	4.1	5.5	5.5

-4-

193.

Although the percentage of delinquencies in any classification is only one measure of the attention being given cases in that category, the above tabulation indicates the comparative delinquency in the bank robbery matters with the overall office delinquency and the delinquencies in criminal matters.

It is noted that delinquencies in 91 matters has been below the office generally in 10 out of the past 15 months. The 6.2 delinquency and 5.3 delinquency shown in the chart above appears to be excessive for those months and all efforts should be made to insure that this type of delinquency does not recur in 91 matters. In this all important category delinquency should be held at an absolute minimum.

INFORMANTS

At the beginning of the current inspection there were 17 approved CIs opened and assigned to the Agents on the Bank Robbery Squad in the San Francisco Office. These 17 informants have been separately rated in the informant section of the inspection report (shown in Section 4-H). The ratings are as follows:

Excellent	2
Very Good	2
Good	8
Fair	3
Poor	1

One informant is not being rated in view of insufficient data to rate and it appears this informant will be placed in the nature of a source as a result of this inspection. You should give serious consideration to giving the informants rated good or fair specific assignments so that they may become more productive in the future.

As can be seen from the above tabulation the informant program handled by the Agents on the Bank Robbery Squad is in need of improvement. Agents working on this squad should be constantly selecting new individuals for consideration under the informant program and should be

194.

aware of the possibility of developing quality informants from the Bank Robbery Suspect Program. Agents handling bank robbery matters should continue to be leaders within the office in this particular category.

The San Francisco Office has a total of 268 ghetto informants, 14 racial informants, and 8 probationary racial informants. This is an excellent pool for obtaining quality bank robbery information and it should be fully utilized by your office. You should insure that dissemination is promptly made for timely contacts of these sources when the facts of a bank robbery are clear so that full advantage can be made of any information they may have while the facts are still fresh in the mind of those individuals that are contacted.

BANK ROBBERY SUSPECTS

The Bureau has advised all offices of the need to develop quality informants among known and suspected armed robbers and burglars and thieves. The Bank Robbery Suspect Program has been most effective in developing informants from among this element. Your efforts should be directed towards developing background information on individuals previously convicted for bank robberies and bank burglaries as well as armed robberies.

You should increase your efforts through continuous intensive coverage of known robbers to develop suspects or informants especially in view of the cosmopolitan area of San Francisco and the closeness to the Los Angeles and Las Vegas criminal elements.

In regard to your suspect program you should accumulate all possible data concerning their background and obtain photographs of these individuals as soon as possible in order that they could be added to your Bank Robbery Album and utilized during your investigation of bank robberies in your territory.

ADMINISTRATIVE HANDLING

Review of your files discloses that in general bank robbery cases and related matters are receiving the attention they deserve and are generally well administered.

Procedures being followed by the San Francisco Office conform to the Bureau rules and regulations in regard to the prompt notification of the Bureau of a bank robbery violation and prompt submission of initial reports within 30 days. However, it is noted in several instances in which notes have been used these notes after being obtained have not been promptly submitted to the FBI Laboratory. The need for obtaining and promptly submitting these notes should be brought to the attention of all the Agents on the Bank Robbery Squad. The obtaining of these notes and the prompt submission is necessary in both those cases in which the Subject is unknown as well as those in which the Subject has been identified.

In view of the number of bank robberies that have occurred throughout the San Francisco territory newspapers apparently have shown a reluctance to publicize photographs of Subjects obtained from surveillance cameras during the commission of the robberies. Efforts should be made to institute a program in which newspapers can be induced to publish these photographs throughout the territory covered by the San Francisco Office shortly after the commission of a robbery in which a good likeness of the Subject has been obtained.

EVIDENCE

SAC Letter 69-32, dated June 10, 1969, instructs that the note used by a bank robber, latent impressions found at the scene, and similar physical evidence should be submitted to the Bureau on the day of the violation or as soon thereafter as possible. If local authorities have the original note, copies should be promptly and forwarded in accordance with existing procedures. In the absence of unusual circumstances the initial 30 day report in bank robbery cases should contain results of the Laboratory and Identification Division examinations.

In 91-9460 a bank robbery was committed on 10/9/70, and although the Subject was apprehended he had left a note and this note has not yet been submitted to the FBI Laboratory.

196.

In 91-9446 a bank robbery occurred on 10/5/70, and indications are that the suspect involved in this case may possibly have been involved in three other bank robberies. This robbery was another in which a note was used and there is no indication in this file that this note has yet been submitted to the Bureau. Other cases in which there were not timely submissions of latent prints and/or demand notes were noted in your files 91-9439, 91-9382, 91-9410, 91-9395. It is essential that personnel of your office fully comply with existing Bureau procedures relative to the prompt submission of evidence in bank robbery matters. In the above instances you are instructed to immediately submit demand notes or copies thereof to the Bureau for appropriate examination.

NCIC

In 91-9410 and 91-9446 the Unknown Subjects obtained bait money, however, there is no indication that the serial numbers of the bait money have been entered into NCIC. You should insure that bait money in bank robberies is entered into NCIC immediately.

SURVEILLANCE CAMERAS

In approximately 75 to 80% of the bank robberies in which a photograph was obtained it was of material assistance in solving the case. In addition, where Subject has been identified by other means, the photograph was available as corroborative evidence.

On the other hand, if a bank camera does not photograph the Subject or produces a blurred result because of poor lighting it is an expense to the bank and of no practical use toward the solution of the case.

In 91-9460 a surveillance camera had been installed by the bank, however, it was not activated during the commission of the robbery. However, in this case the Subject was subsequently apprehended. You should insure that during clinics conducted by your office, banks are instructed to insure cameras are in proper working condition, properly serviced and bank employees are aware of the value of activating the cameras at the proper time.

BANK ROBBERY CLINICS

It is noted that the San Francisco Office is conducting frequent Bank Robbery Clinics throughout the division to give banking institutions instructions concerning their role in bank robbery investigations and to create a continued interest among bank officials to adopt a continuing training program for their employees. It is recommended that you continue to give clinics of this type throughout your territory and stress the need for bank officials to become security conscious in connection with their banking procedures and physical plants.

It is noted as a result of these clinics and contacts with the Bank of America which has over 960 branches has produced an excellent training film which is shown periodically to all new personnel. Other banks are following this procedure and this should assist substantially in obtaining good descriptive data of suspects as well as reducing the incidents of bank robberies in your division.

As a result of the passing of the Bank Protection Act of 1968 most of the banks throughout your area have installed or are in the process of installing cameras in most of their branches. Through the wider use of bank surveillance photographs shortly after the commission of a robbery it should lead to the identification of more suspects.

It is noteworthy in an attempt to minimize the number of bank robberies occurring in the San Francisco Bay Area the City of San Francisco has adopted a plan of encouraging the hiring of law enforcement officers as tellers during their off hours during which time they are armed. A review of your files indicates that over the past year and a half this has proved very successful in apprehending bank robbers, bad check passers, and individuals attempting to cash stolen securities. It has been noted that even though the robber may not be apprehended at the by these bank tellers, because of their training their value as witnesses has been extremely worthwhile.

LEADS IN REPORTS

The leads set out in the initial report in 91-9161 indicate the projected investigation to consist of reporting results of Laboratory examination, reviewing State of California All Point Bulletins, maintaining contact with the San Francisco Police Department and reviewing solved and unsolved West Coast bank robberies. This same type of non-descriptive lead is set out in the second report in this same case. Similar non-descriptive leads are set out in 91-9206 and 91-9419.

Leads of this type are unimaginative and of little value for the supervisor in evaluating the projected investigation or for another Agent in having such a case reassigned to him. The expression of such leads does not represent the investigative potential of which FBI Agents are capable and of which the San Francisco Office has shown in its solution rate. Leads such as these are merely passing our investigative responsibility to the local authorities.

COPIES OF REPORTS

Three copies of the bank robbery report were designated in 91-7976, 91-9377, 91-9225 and four copies of the initial report were made in 91-9362, with no apparent reason shown or explanation made for the extra copy. All Agents should be reminded that only two copies are made in bank robbery cases in the interest of conserving file space. When more copies are dictated for a particular need such as multiple leads in several Resident Agencies the extra copy should be destroyed and proper notation made of this fact after its purpose has been served.

CASE SUGGESTIONS

In 91-9395 an unknown white female subject, approximately 17 or 18 years old robbed the Wells Fargo Bank in Berkeley, California. The Unknown Subject displayed a note which note has not yet been forwarded to the Bureau.

199.

This note should be immediately sent to the FBI Laboratory. In addition, an extremely clear photograph was taken of the Unknown Subject and inasmuch as it appears from the photograph and from descriptions obtained she is a "hippie type" security informants familiar with the New Left element in Berkeley should be contacted. Inasmuch as this case involves a young female it is felt that additional contacts with neighboring newspapers should be made in order to have her picture publicized more widely than as heretofore happened. Also contact should be made with the Berkeley Campus Police Department to determine if it would be feasible to display her photograph to college sources or counsellors in an attempt to determine if this Unknown Subject may be a student at the Berkeley Campus of the University of California.

In 91-9277 it is noted that the individual who robbed this bank as depicted in the surveillance photograph on July 24, 1970, is of excellent quality. Although this photograph together with other bank robbery surveillance photographs appeared in the "Oakland Tribune", Oakland, California, 8/3/70, it is believed this is the type of photograph that should receive additional newspaper publicity. It is noted from past contacts with officials of the Bank of America they plan in the near future to publish in local newspapers in the Bay Area a full page ad depicting surveillance photographs in unsolved bank robbery cases. It is recommended in contact with the Bank of America officials that this case be recommended as one that they publish in such an ad. In addition, any other circulation that can be obtained through area newspapers should be utilized in displaying this photograph.

In 91-8825, 91-9267, and 91-9456, all bank robberies where good to excellent quality surveillance photographs were obtained of the individual robbing the banks. This individual was responsible for all three bank robberies. It is noted this photograph has been published in surrounding Bay Area newspapers but did not appear in local San Francisco news media, inasmuch as all three bank robberies occurred in San Francisco. Two of these bank robberies were Bank of America banks and consideration should be given to having this surveillance photograph published in the contemplated ad to be placed by Bank of America officials in San Francisco and Bay Area newspapers in the near future. Likewise, consideration should be given to extending circulation of this photograph

to other news media and appropriate parole officials and law enforcement agencies in the Bay Area.

MISCELLANEOUS

In 91-9427 it is noted the Subject of this case is also a member of the Students for a Democratic Society (SDS) and was the Subject of a security matter in the San Francisco Office.

In 91-9405 the Subject was also the Subject of a Selective Service case, security matter case and an Anti-Riot Law case in the San Francisco Office. These examples are cited in order to show the need at this time for maintaining informant contacts not only with the criminal element but also with security informants throughout your division. You should be constantly aware that revolutionaries in this country have publicly stated that they intend to finance their causes by bank robberies and/or armed robberies and this emphasizes the need when descriptions and photographs are obtained to distribute these photographs and descriptions throughout all the personnel in your office. Agents working security type cases should be made aware of the need in contacting their informants to keep in mind that robberies have been committed by these young revolutionaries in the past and undoubtedly in the future they will continue to increase.

Comments of Bank Robbery Supervisor BRYON C. WHEELER and SAC requested.

SUPERVISOR BRYON C. WHEELER: The comments and suggestions of the Inspector have been noted and will be carried out in every instance.

SAC ROBERT E. GEBHART: The observations and comments of the Inspector have been noted and appropriate action will be taken to carry out the Inspector's instructions. Special Agent and supervisory personnel will be thoroughly instructed to carry out the recommendations contained in this Bank Robbery Inspection Report.

It is noteworthy that since the inspectors arrived in the San Francisco Office an additional 10 previously unsolved bank robberies have been solved through the identification of the perpetrators who have been incarcerated and are awaiting prosecution. The San Francisco Office therefore now has a grand total of old and new pending unsolved bank robbery matters in the amount of 76. The percentage of solution of bank robbery violations is, since the date of last inspection, now 79.2 percent.

Rev. 8/24/70

CRIMINAL INTELLIGENCE PROGRAM
AND INTERSTATE GAMBLING ACTIVITIES

4-M-3

INSPECTOR *ALC* LARSON

Please furnish data requested
below. If a question is not

applicable, so indicate.

PART A. GENERAL

1. Brief summary of commercial or continuing types of lucrative crime in your territory such as organized illegal gambling, loan sharking (shylocking), labor racketeering, planned bankruptcy fraud, et cetera.
2. A brief analysis any corruption in law enforcement or among political officials who tend to control law enforcement.
3. Assess level of your informant and other coverage relied upon in making responses to paragraphs 1 and 2 above.
4. What progress have you made in penetration of racketeering operations since last inspection? To what extent has your Criminal Intelligence Program been expanded since last inspection?
5. Set forth total Agent days spent on Organized Crime and Gambling Programs in last six months and if less than previous six months explain. How many Agents are assigned full time to these programs? Describe allocation of manpower (headquarters and resident agencies) and outline your plans for allocation of manpower in future (headquarters and resident agencies). Outline supervisory responsibility and functions in these programs.

SAN FRANCISCO

INSPECTION

4-M-3

OCT 16 1970

Criminal Intelligence Program - 2 -

6. Tabulate by months since last inspection the number of origin cases opened in classifications 92, 143, 144, 162, 165, 166, 168, 172, and 179.
7. Set forth accomplishments including convictions since last inspection as a result of Criminal Intelligence and Inter-State Gambling Programs in your territory. Separately set forth cases pending prosecutive action.
8. While prosecution of underworld leaders and associates is a prime objective, a continuing flow of basic intelligence on organized criminal activities and general crime picture in your area is necessary to future success of your program. Briefly describe examples of intelligence accomplishments which enable you to stay abreast of these conditions.
9. Cite examples of dissemination to other agencies, Federal, state or local, which have resulted in disruption of organized crime.

PART B. GAMBLING MATTERS

1. Identify leading gambling operators in your division.
2. Indicate types of gambling prevalent in your division and whether under hoodlum control.
3. What is extent of gambling in your division? Furnish data available with respect to monthly or annual handle.
4. Advise how sports line is received or formed in your division as well as how gambling operators are receiving early race results.
5. What progress have you made in penetration of illegal gambling operations since your last inspection?
6. By letter to SAC, Albany, 1/27/70, captioned "Gambling Investigations Under Proposed S 30, Organized Crime Control Act, 1970, IGA Activities," the Bureau issued

instructions regarding the investigation of gambling matters. How have you complied with those instructions? Be as brief as possible; however, be specific.

PART C. TOP-ECHELON INFORMANT MATTERS

In providing information called for below, bear in mind that a top-echelon informant can be qualified on the basis of regularly providing productive information on local gambling matters even if not tied into La Cosa Nostra.

1. Show number and location of top-echelon informants at time of last inspection and now. If decrease, explain. Identify by symbol number top-echelon informants developed since last inspection. List targets for development in TECIP and show location. What are your plans for increasing coverage?
2. Identify Agents working full time or almost full time in Organized Crime and Gambling Programs who have not thus far developed a top-echelon informant and explain why not.

PART D.

(Provide response only if applicable to your territory, i.e. presence of La Cosa Nostra or major hoodlum activity.)

1. Identify organized criminal groups (e.g. La Cosa Nostra) present in your division. Explain briefly manner in which such group or groups, control any or all of operations outlined in Part A, paragraph 1. Identify leadership element. Break down your response by headquarters city and resident agency territories.
2. What is estimated La Cosa Nostra membership in your territory and how many have been identified. Of the La Cosa Nostra members within your division, how many

have been identified by sources of your office? What are your plans for effecting identification of other La Cosa Nostra members residing in your territory? Has your intelligence developed any indication of a change in leadership or operations of La Cosa Nostra in your division? If so, advise of your contemplated action with respect to this situation.

3. Identify by symbol number any top-echelon criminal informants who are members of La Cosa Nostra or other organized criminal groups in your territory. Outline your prospects for development of additional informants of this type.

PART E. TITLE III OF THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

1. Are Agents handling Criminal Intelligence Program investigations thoroughly familiar with all aspects of Title III?
2. Have any Title III requests been initiated since last inspection? Identify files.
3. Identify files wherein investigative efforts are being made to justify Title III requests.

Comments of SAC requested.

SAC R. G. GEBHARDT
10/22/70

CRIMINAL INTELLIGENCE PROGRAM AND
INTERSTATE GAMBLING ACTIVITIES

PART A. GENERAL

1. The commercial or lucrative type of criminal activity in the San Francisco Division continues to be predominantly confined to the areas as noted below. Exhaustive and probative investigation and close liaison with local state and Federal agencies to date has revealed no evidence of an organized criminal group controlling these activities in ^{and} San Francisco or Resident Agency territories. Investigation contacts with informants and other sources of information have failed to reveal the existence of any organized illegal gambling, loan sharking (Shylocking), labor racketeering or planned bankruptcy frauds.

- A. Local bookmaking involving horse and sport bets conducted by numerous local independent bookmakers, some of whom have established "lay-off" arrangements among themselves.
- B. Prostitution activity primarily in the "Tenderloin" section of San Francisco involving out-of-town businessmen, tourists, and servicemen with prostitutes, most of whom are working for unorganized negro "pimps".
- C. Narcotic activity and related crimes usually involving thefts and frauds near universities, military installations, and "hippie" or Bohemian sections of cities within the division.

2. This office continues to enjoy an excellent relationship with the San Francisco Police Department and its official personnel. Cooperation and excellent relationships

SAN FRANCISCO INSPECTION
10/22/70
CNH/crv

SAC R. E. GEBHARDT
10/22/70

are known to exist between all Resident Agencies and the local law enforcement agencies in their territories. No evidence or information has been made available to this office to indicate that there is any corruption in law enforcement in this division.

As the Bureau is well aware, Mayor JOSEPH LAWRENCE ALIOTO was the Subject of anti-racketeering investigation by this office several years ago, however, this matter has been closed. ALIOTO prior to assuming the position of Mayor of the City of San Francisco was a prominent and well known attorney, particularly in the field of anti-trust matters. He is known to have been the attorney for TONY LIMA, a former "Boss" of the LCN in San Francisco. He also represented a number of other LCN figures and their associates.

Prior investigation revealed that the cousin of ALIOTO's father, JOHN ALIOTO, was the former "Boss" of the Milwaukee LCN Family. JOHN ALIOTO attended the inauguration of Mayor ALIOTO at San Francisco in January 1968.

As a result of an article published in "Look" magazine, September 23, 1969, linking ALIOTO with many LCN figures, ALIOTO filed a \$12.5 million libel suit against "Look" magazine and the authors of this article, RICHARD CARLSON and LANCE BRISSON.

On May 15, 1970, Federal Judge BRUCE THOMPSON declared a mistrial in San Francisco on this suit in that the jury was unable to agree on the key issue of whether the article linking ALIOTO with the "Mafia" was published with "malice and reckless disregard for the facts." The jurors told newsmen that the article was defamatory to ALIOTO and that at least 50 per cent of the 27 points were indeed untrue. There was no agreement as to whether the falsehoods and the article's general claim that ALIOTO was "enmeshed in a web of alliances" with the "Mafia" represented "malice and reckless disregard for the facts." U.S. Supreme Court has ruled that such a finding is essential to a libel judgment sought by a public official.

SAC R. E. GEBHARDT
10/22/70

On August 5, 1970, RUDOLPH PAPALE, brother-in-law of Mayor ALIOTO, filed a \$.2 million libel suit against "Look" magazine and CARLSON and BRISSON. This article referred to a trip by PAPALE to Mexico during which PAPALE met with FRANK BOMPENSIERO, "CAPO", of the Los Angeles Family of the LCN residing in San Diego to discuss a lard selling permit in Mexico for a company of which PAPALE was former president.

On September 5, 1970, it was reported that retrial of the ALIOTO \$12.5 million libel suit against "Look" was tentatively reset for May 3, 1971.

3. San Francisco top level informants currently being handled consist of four members of the LCN and six TE informants in the gambling and related criminal fields. Our LCN TE informants and ten PC target informants report on LCN activities of the San Francisco and San Jose Families as well as LCN activities in other divisions. Our other TE informants and our 36 PC target informants regularly report on matters involving bookmaking, prostitution, pornography and other criminal matters. As an indication of the level of our informant coverage since last inspection, SF 2689-C-TE assumed the position of "Boss" of the San Francisco LCN Family. These informants due to their positions and locations have made it possible to obtain top level information necessary to provide coverage for Items 1 and 2.

4. Since last inspection extensive investigation as well as informant coverage led to the first ITAR conviction prosecutions ever in the San Francisco Division (see Item 7 below).

Investigation in the case CARL EZEKIAL ECKSTIN, ITWI, case developed a "shakedown" by ECKSTIN against local bookmaker VICTOR ROMOLO. This matter arose out of the failure of ROMOLO to pay a bookmaking debt owed ECKSTIN. SALVATORE VINCENI "BILL" BONANNO, JOSEPH BONANNO, JR., MAURICE PATRICK HARTIGAN and MARTIN CHEIPETZ CARSON acting as agents for ECKSTIN attempted to collect the \$1,600 gambling debt and during contacts with ROMOLO threatened him with physical harm

SAC R. E. GEBHARDT
10/22/70

if he failed to pay the debt. This case is currently under investigation with the matter being presented to the Federal Grand Jury at San Francisco for violation of Title 18, U.S. Code, Section 894, Extortionate Credit Transaction Statute.

It should be pointed out that "BILL" BONANNO and JOSEPH BONANNO, JR. are the sons of JOSEPH BONANNO, SR., a "Commission" member of the LCN in the United States.

The aforementioned Subjects are also involved in a separate ECT case involving the shakedown and threats to do bodily harm to WILLIAM JOSEPH ELLIS. This matter is presently under investigation and will be presented to the Federal Grand Jury, San Francisco immediately upon completion of Grand Jury action in the ECKSTIN ECT case.

Since last inspection investigation has continued in regard to GUISEPPI CONFORTE, the reported Vice Lord, State of Nevada, who for years has headed up a major prostitution operation. Through extensive investigation and the placement of SF 3239-C-TE and SF 3369-C, this organization has been completely penetrated identifying his lieutenants and scope of operation. As a result of the above, it has been determined that CONFORTE's operation has spread to the State of Hawaii being controlled there by one of his top lieutenants, TOMMY SEALE. San Francisco has under preparation an affidavit for a request of a Title 3 electronic surveillance on the phones utilized by this organization in Honolulu. This Title 3 affidavit has been prepared with the assistance of Departmental Attorney at San Francisco and who has discussed same with the Organized Crime Section, Department of Justice, who has advised that upon completion of current investigation in Honolulu the affidavit should be immediately submitted for approval.

As another example of the progress made in the penetration of the racketeering operation since the last inspection information was received that HARRY JOHN JOHNSON and ALAN "SUITCASE" FIDLER, two Boston "hit men" received a contract, reportedly by a printer, to travel to San Francisco and "straighten somebody out over a union matter." JOHNSON, a former resident of San Francisco, is known as a former associate of JACK GOLDBERGER, top local Teamster official

SAC R. E. GEBHARDT
10/22/70

and reportedly JIMMY HOFFA's special West Coast representative. JOHNSON and FIDLER travelled to San Francisco from Boston in January, 1970 and through surveillance and subsequent intensive investigation it was determined that they met with one GEORGE R. DUNCAN, International Representative, International Typographers Union (ITU). It was determined that shortly prior to the travel of JOHNSON and FIDLER to the San Francisco area a strike situation existed at the San Rafael "Independent Journal" newspaper involving the ITU. Through cooperation and liaison with local law enforcement, JOHNSON and FIDLER were arrested near San Rafael, California and found to be in possession of handguns and mace. Shortly after the return of JOHNSON and FIDLER to the Boston area, an individual who had knowledge that they had been given this contract was found murdered in Boston and on his body were found the names and telephone numbers of JOHNSON and FIDLER. Through these efforts the attempt by JOHNSON and FIDLER to perform the conditions of the contract were thwarted. In addition, this matter is being considered by Departmental Attorney for possible Federal Grand Jury presentation.

Another example of progress made in the penetration in the field of intelligence and organized crime in this area resulted when through information furnished by top echelon informants revealing the presence of ALATADENO JAMES FRATIANNO residing in the San Francisco territory. Through investigation and surveillances conducted FRATIANNO was subsequently contacted and was developed as a top echelon target of this division. Frequent contacts were conducted with FRATIANNO and extensive cooperation was obtained from him concerning organized crime. FRATIANNO was identified as a member of the Los Angeles Family of the LCN and during August, 1970 was indicted by Federal Grand Jury convening in San Francisco for two counts of violation of Title 18, U.S. Code, Section 894, ECT. Although presently incarcerated FRATIANNO is being contacted periodically as a target in an effort to continue development of his cooperation.

Increase in penetration of racketeering operations since last inspection is evidenced by the above examples as well as the statistical accomplishments reported hereinafter.

5. Total Agent days spent on organized crime and gambling program in last six months was 2,370 days, 3 hours. The total for the prior six months was 2,356 days, 4 hours.

There are 19 Agents working full time on the CIP, 14 in Headquarters City and 5 in RA's.

The following Special Agents are assigned full time to the CIP Squad:

Supervisor - CHARLES N. HINER

Squad Assignments

TECIP - LOWELL S. LAWRENCE, Coordinator
CHARLES E. GALVIN

IGA - BERNARD A. FEENEY, Coordinator
JAMES F. BLANTON
THOMAS J. A. HENRY
GEORGE B. JARVIS, JR.
JOHN G. REDMOND

ITAR - PROSTITUTION - COSBY J. MORGAN, Coordinator
EDWIN K. TANAKA
PETER K. STACKHOUSE

CIP-AR - FRANK UNDERWOOD, III, Coordinator
JOHN CONNOLLY, JR.
J. TIMOTHY LANN
DAVID J. SARGENT

Berkeley RA - GEORGE R. ZEIGLER

Oakland RA - RUSSELL J. HUCKABY

San Jose RA - JOHN M. PAGE
JOSEPH CHIARAMONTE

Walnut Creek RA - RUDOLPH H. MANCINI

Manpower for the program is constantly being re-evaluated for maximum effectiveness and efficiency both in

SAC R. E. GEBHARDT
10/22/70

Headquarters City and Resident Agencies. Manpower will be allocated in the future according to the demands of the investigative matters to be conducted.

6. Tabulation by months since last inspection, of the number of origin cases opened in the following classifications:

	92	143	144	162	165	166	168	172	179
1969									
July	10	0	0	1	15	22	0	0	0
August	4	0	0	0	11	8	0	0	0
September	27	0	0	0	19	34	1	0	0
October	12	1	0	0	23	30	0	0	0
November	28	0	0	0	54	26	0	0	1
December	14	0	0	0	8	29	0	0	0
1970									
January	15	4	0	1	30	29	0	0	0
February	23	1	0	2	30	31	0	0	1
March	17	1	0	22	5	30	0	0	0
April	14	0	0	1	4	26	0	0	0
May	16	0	0	11	3	33	0	0	0
June	17	0	0	15	17	41	0	0	0
July	8	0	0	4	10	47	0	0	0
August	4	0	0	6	16	30	1	0	0
September	16	0	0	2	13	58	0	0	1
TOTALS	225	7	0	65	258	474	2	0	3

SAC R. E. GEBHARDT
10/22/70

7. Since the last inspection seven convictions have been reported as a result of Criminal Intelligence and Interstate Gambling Programs as indicated below:

<u>Caption</u>	<u>Bufile</u>	<u>SF File</u>	<u>Convictions</u>
HULLEN HOWARD WATKINS, aka; GAIL KRISTINE WATKINS ET AL - VICTIMS ITAR - PROSTITUTION; WSTA	166-3994	166-846	2
THOMAS HENRY SZYMANSKI, aka; DONNA MARIE STEVENSON ET AL - VICTIMS ITAR - PROSTITUTION; WSTA	166-3664	166-615	1
EDWARD ADOLPH BARDYSZEWSKI, aka TFIS; AR	92-11801	92-1180	1
CHARLES PRITCHETT, aka; IVAR ARNOLD KVALNES, aka ITAR - GAMBLING; CGR - GAMBLING	166-4217	166-949	2
JACK GLENN KNOPFER; EUGENE DE POLO ITGD	143-1138	143-54	1

Prosecutive action is pending in the below listed cases:

<u>Caption</u>	<u>Bufile</u>	<u>SF File</u>	<u>Potential Convictions</u>
ALADENA T. FRATIANNO, aka AR; ECT	92-3899	92-271	1
JACK GLENN KNOPFER; EUGENE DE POLO ITGD	143-1138	143-54	1
MILTON GOLDMAN, aka ITSP; AR	92-10419	92-715	1

SAC R. E. GEBHARDT
10/22/70

The following additional convictions were reported
by CIP Squad:

<u>Caption</u>	<u>Bufile</u>	<u>SF File</u>	<u>Convictions</u>
JOSEPH ALEX RUDY, aka; DONALD NASON - VICTIM EXTORTION - CONTEMPT OF COURT	9-50141	9-2315	1
TERRY LEE GREENFIELD; UNITED AIRLINES, SFIA - VICTIM EXTORTION	9-51445	9-2375	1
MYRTLE ALICE HALL, aka LMRDA - IM	159-3071	159-267	1
JOHN REED COX, aka; FLOREDIA ALLEAN SAVAGE - VICTIM EXTORTION	9-49946	9-2303	1

Prosecutive action is pending in the below listed
cases:

<u>Caption</u>	<u>Bufile</u>	<u>SF File</u>	<u>Potential Convictions</u>
FRED JOE THORNTON, aka; ERMA SCOTT, aka - VICTIM EXTORTION	9-51238	9-2363	1
SUZANNE HONEY STOUGHTON, aka-Fug. LMRDA - IM	159-3044	159-264	1
TED CECIL SURRIDGE LMRDA - IM	159-2972	159-259	1
ROBERT WILLIAM WARD; SHIRLEY OWDEN - VICTIM EXTORTION	9-51212	9-2362	1

SAC R. E. GEBHARDT
10/22/70

8. Subsequent to the submission of last inspection report, through information by top echelon informants this office, information has been developed that SF 2689-C-TE has assumed the position of "Boss" of the San Francisco LCN Family.

SF 2656-PC has reported to the return to the San Jose area of STEFANO ZOCCOLI, Consigliere of the San Jose LCN Family from Los Angeles where he had been residing for the past year.

During November 1969, SF 2656-PC reported that GEORGE ADRAGNA, a member of Western Pennsylvania Family of the LCN was coming to the San Jose area to live. Subsequently, SF 2656-PC and SF 2689-C-TE reported that ADRAGNA's membership had been transferred to the San Jose LCN Family and he is currently residing in the San Jose area.

Subsequent to the submission of last inspection report SF 2689-C-TE reported that JAMES FRATIANNO, a member of the Los Angeles LCN Family had moved into the San Francisco area where he remained until August when he commenced serving a prison sentence executed by the State of California.

During October, 1969, information was received indicating that JERRY LISNER, major bookmaker, Los Angeles, California was in contact with JOHN CASTELLI, bookmaker, Oakland, California. The purpose of this contact was for LISNER to establish a base of operation, particularly bookmaking, for his criminal activities in the San Francisco area. Investigation subsequently established that LISNER and others commenced a bookmaking operation in Alameda and Contra Costa Counties, East Bay Area, using as its front A-1 TV Service, Oakland, which is owned by JOHN CASTELLI. Following extensive investigation in cooperation with the Oakland Police Department, no evidence was developed to indicate any violation of Federal statutes. On November 22, 1969, the Oakland and Berkeley, California Police Departments simultaneously arrested SALVATORE J. BERNICE, JOHN TRAPPS and two other associates who were engaged in LISNER's bookmaking

SAC R. E. GEBHARDT
10/22/70

operation. These arrests resulted in a breakup in the entire bookmaking operation and subsequently during February, 1970 LISNER returned to the Los Angeles, California area.

In July, 1970, information was made available to the San Mateo Police Department which led to the arrest of WALTER DALY, PAULA DALY and SABRINA DUNN. These individuals were arrested for prostitution, conspiracy, maintaining a disorderly house and being an inmate in a disorderly house. These arrests were a direct result of informant information and investigation conducted by the San Francisco Office which revealed no Federal violation and therefore was referred to local authorities. This operation was determined to be a \$90,000 a year "high class" call girl service and from this five other call girl services were uncovered, all local in nature in San Francisco. Intelligence information concerning these operations has been furnished the San Francisco Police Department and are being followed closely by the San Francisco Office.

9. Results of dissemination of information resulting in disruption of organized crime since the last inspection are illustrated by the following statistical accomplishments:

Raids	12
Individuals Arrested	39
Convictions	38
Amount of money seized	\$5,829.00
Total "handle" - bookmaking	\$895,000.00

Prior to the last inspection, these accomplishments were as follows:

Raids	10
Individuals Arrested	24
Convictions	10
Amount of money seized	\$5,198.00
Total "handle" - bookmaking	\$575,500.00

SAC R. E. GEBHARDT
10/22/70

In addition to the foregoing, as a result of information furnished by SF 2956-C-TE and SF 3036-PC, CHARLES FRANCIS LEAHY, JR., Major San Francisco bookmaker, was arrested on August 4, 1970, by the San Francisco Police Department on charges of bookmaking and ex-convict in possession of firearm. Trial date was initially set for September 22, 1970 in Municipal Court, San Francisco, however, has been set over until October 28, 1970.

PART B: GAMBLING MATTERS

1. In the San Francisco Division there appears to be two gambling operators that lead all others in terms of handle, volume, coverage, number of accounts, and number of employees. These operators are CARL EZEKIAL ECKSTEIN and CHARLES FRANCIS LEAHY, JR., both of whom are based in San Francisco. While they both handle substantial individual accounts, ECKSTEIN and LEAHY are primarily associated with and rely on lessor local bookmakers for "action."

CARL EZEKIAL ECKSTEIN, age 40 years, has been engaged in gambling activities most of his adult life. ECKSTEIN was formerly associated with TONY RUIZ and other San Francisco bookmakers, but in the last year ECKSTEIN has set up his own independent operation. ECKSTEIN has been arrested on several occasions on charges of bookmaking but has never been convicted of this violation. In 1965 ECKSTEIN was convicted for failure to pay Federal wagering tax, which conviction was subsequently overturned. Details regarding his current operation are set forth below in Paragraph 3.

CHARLES FRANCIS LEAHY, JR., a native San Franciscan, in his middle 40's, has been engaged in bookmaking activities throughout his adult life. He was convicted in United States District Court, San Francisco, in 1961 for arrest on 9/28/60 for violation of Title 26, Section 7203, U.S. Code, failure to report and pay wagering tax, and was sentenced to six months in jail and five years probation. Subsequent to his incarceration, LEAHY moved to Medford, Oregon. He returned to the San Francisco area in the Spring of 1969 and resumed his bookmaking activities. During his absence from San Francisco, his ex-brother-in-law, KENNETH JOSEPH ZAHND, reportedly handled his, LEAHY's, bookmaking operation. LEAHY was recently arrested by the San Francisco Police Department on local bookmaking charges and is currently awaiting trial.

2. The types of gambling prevalent in the San Francisco Division are primarily wagering on horse races and sporting events. In addition, small numbers betting with a weekly drawing take place usually in the Spanish-speaking communities. There are also legal and illegal card games operating usually in low-income commercial neighborhoods. Gambling in the division is conducted by individual operators who are independent of each other, except for layoff purposes with respect to bookmaking and there are no indications of hoodlum control over any of these activities.

3. Concerning the extent of gambling in this division, bookmakers ECKSTEIN and LEAHY, named in Paragraph 1 above, operate in the following manner. Both are in daily contact with their accounts located in the Bay area which include other bookmakers for layoff purposes, split bookmakers, and numerous individual bettors.

Bets are placed with these operations generally at locations to which the general public has access, such as bars, restaurants, coffee shops, and other small shops. The "action" received at these business locations are in turn called in to a phone spot operated by a bookmaker who has a gambling relationship with the operator of the business.

ECKSTEIN normally operates with six employees, including two phone men, a bookkeeper, a pay & collect man, and two runners. In addition, he utilizes several split bookmakers as employees. The principal bookmakers and split bookmakers involved in the ECKSTEIN bookmaking operations are THEODORE CHALMIS, ALBERT DIGERONIMO, ELBERT HEDRICK, MANNY PRONGOS, and ALBERT CARLSON. ECKSTEIN's monthly handle based on informant data, evidence seized by the San Francisco Police Department during recent bookmaking raids, and interviews of bettors is estimated to be approximately \$50,000 for horse bets. His sports "action" varies with the season of the year and bettor interests in particular sporting events; however, ECKSTEIN's handle for sports action is estimated to be \$40,000 per month.

LEAHY's operation normally consists of a separate phone man for horse racing action and sports bets, at least two pay & collect men, and several runners operating in the vicinity of three San Francisco bars in which LEAHY reportedly has a hidden interest. The persons believed to be associated with LEAHY as bookmakers and/or split bookmakers are ROBERT MAGIDSON, ATTILIO SPAGNUOLA, VICTOR FORNER, KENNETH ZAHND, MORRIS COOPER, and ALBERT CARLSON.

With respect to LEAHY's handle it is to be noted that a review of records seized at the time of his arrest on 8/4/70 discloses a daily handle for horse action in the approximate amount of \$2,000 or approximately \$50,000 per month. Data regarding LEAHY's sports handle is incomplete but it is estimated that this handle is comparable to that of ECKSTEIN.

Based on a review of available gambling records seized by local authorities on lessor local bookmakers, it is estimated that they have a monthly handle of approximately \$25,000 each. Investigation, including contacts with informants and local authorities, indicates there are approximately 20-30 lessor bookmakers operating in the San Francisco Division on any given day. Accordingly, it would appear that the monthly handle for the San Francisco Division is in the approximate amount of one million dollars.

4. Sports line is formed by local bookmakers who receive an early opinion line from sports services located in Los Angeles, California, operated either by GERALD KILLGORE, DOMINICK "SONNY" DEFALCO, or FRANK MILANO. Upon receipt of this line information, the local bookmaker will make his own adjustments, if necessary, to suit his particular situation. In addition, the local major newspapers in this division publish line information on a daily basis prior to a particular sporting event. Early race results are currently being furnished to local bookmakers by JERI GORDON MATZA who openly operates

a sports service at 225 Kearny Street, San Francisco. Investigation has determined that MATZA receives race results by calling either California Turf, Los Angeles, a horse race results business operated by FRANK MILANO, or J & K Sports Journal, North Hollywood, California, operated by GERALD KILLGORE.

5. Since the last inspection, the San Francisco Office has developed SF 2661-C-TE, who is a key operator within the ECKSTEIN bookmaking organization. SF 3036-PC, who was targeted at time of last inspection, has been developed to the point where he furnishes detailed information on a weekly basis regarding the LEAHY bookmaking organization. This target is a split bookmaker handling sports "action" for the LEAHY organization. As a result of information furnished by SF 3036-PC and SF 3237-C-TE, LEAHY was arrested by the San Francisco Police Department on 8/4/70 on charges of bookmaking and convict in possession of a weapon.

SF 3090-PC was targeted at the time of the last inspection; however, during the past several months, he has furnished extensive information regarding several large bookmaking operations.

SF 3387-C was developed since the last inspection and was responsible for the initial information and identification of a major bookmaking operation in the East Bay area, including Oakland, California, and Naval Air Station, Alameda, California. The informant's information led to the arrest and subsequent conviction of the two major operators within the organization in United States District Court, San Francisco. In addition, based on informant's information and investigation by this office, there were two arrests and convictions effected by local authorities, Oakland.

As a result of extensive investigation in the ECKSTEIN ITWI case, a "shakedown" on the part of ECKSTEIN against a local bookmaker was developed. This investigation has resulted in two major ECT cases involving non-payment of bookmaking debts which are currently under investigation and before the Federal Grand Jury at San Francisco. To date, eight local bookmakers have appeared before the Federal Grand Jury and others will be called. This has had a disruptive effect among bookmakers and has created an atmosphere of distrust.

6. Pursuant to instructions set forth in Bureau letter to SAC Albany 1/27/70 regarding gambling investigations under proposed SB30, a review of gambling cases was undertaken. It should be pointed out that during the past three years, it has been the policy of the San Francisco Office to closely follow the activities of local gambling organizations and/or subjects in an attempt to develop any indication of a Federal gambling violation. Per instructions additional 162 and 165 cases have been opened and investigated. Specifically since 2/1/70, sixty-three 162 cases and ninety-eight 165 cases have been opened.

PART C. TOP-ECHELON INFORMANT MATTERS

1. At the time of the last inspection, San Francisco had 7 top-echelon (TE) criminal informants. Of those 7, 4 were LCN members:

SF-2550-C-TE, San Jose "family"
SF-2745-C-TE, San Jose "family"
SF-2689-C-TE, San Francisco "family"
SF-3208-C-TE, New York "family"
SF-2956-C-TE, San Francisco
SF-3058-C-TE, San Francisco
SF-3237-C-TE, San Francisco

Since the last inspection, this office has developed three additional TE informants:

SF-2661-C-TE, San Francisco
SF-3300-C-TE, San Francisco
SF-3239-C-TE, San Francisco

At the time of the last inspection, San Francisco had under development a total of 39 PC informant targets.

Targets currently under development are as follows:

LCN Members - 10

SF-2501-PC, San Francisco
SF-2874-PC, San Mateo
SF-3013-PC, Monterey
SF-2545-PC, San Francisco
SF-2582-PC, San Jose
SF-2630-PC, San Francisco
SF-2886-PC, San Jose
SF-3132-PC, San Francisco
SF-3141-PC, San Francisco
SF-3242-PC, San Jose

Associates of LCN Members - 5

SF-2656-PC, San Jose
 SF-3123-PC, Oakland
 SF-3241-PC, San Jose
 SF-3385-PC, San Francisco
 SF-3288-PC, " "

Gambling and General Criminal Field - 31

SF-2500-PC, San Francisco
 SF-2845-PC, " "
 SF-2927-PC, " "
 SF-3036-PC, Oakland
 SF-3061-PC, San Francisco
 SF-3090-PC, " "
 SF-3112-PC, " "
 SF-3135-PC, Oakland
 SF-3144-PC, San Francisco
 SF-3178-PC, " "
 SF-3235-PC, " "
 SF-3243-PC, " "
 SF-3245-PC, " "
 SF-3251-PC, " "
 SF-3132-PC, " "
 SF-3290-PC, " "
 SF-3291-PC, " "
 SF-3310-PC, " "
 SF-3318-PC, " "
 SF-3338-PC, " "
 SF-3324-PC, " "
 SF-3333-PC, " "
 SF-3336-PC, " "
 SF-3347-PC, " "
 SF-3351-PC, " "
 SF-3350-PC, " "
 SF-3355-PC, " "
 SF-3385-PC, " "
 SF-3349-PC, " "
 SF-3234-PC, " "
 SF-3356-PC, Santa Cruz

SF

The San Francisco Division has under development a total of 46 PC targets in San Francisco and RA territories. The TECIP continues to be intensified for development of additional targets and information received regarding subjects of AR, ITAR and gambling investigations, as well as information received by our informants, is carefully evaluated for possible selection of potential targets under this program.

<u>2. Agents</u>	<u>Targets Assigned</u>
JAMES F. BLANTON	2
JOSEPH CHIARAMONTE	2
THOMAS J. A. HENRY	4
RUSSELL J. HUCKABY	3
J. TIMOTHY LANN	2
JOHN M. PAGE	4
JOHN G. REDMOND	1
DAVID J. SARGENT	1
FRANK UNDERWOOD, III	2
GEORGE R. ZEIGLER	2

It should be noted that SA's LANN and SARGENT were assigned to Squad #4 handling CIP matters subsequent to the last inspection. All agents on this squad are well aware and constantly apprised of the importance of the TECIP and efforts will continue to insure that each agent will develop a TE informant.

21

PART D.

1. The La Cosa Nostra (LCN) continues to exist in the Northern California area and includes a San Francisco "family" and a San Jose "family." There are currently 8 members of the San Francisco "family" residing in this division and 19 members of the San Jose "family" residing in this division. In addition, there are two members of the San Francisco "family" residing in the Sacramento Division, one member in the Los Angeles Division, one in the Chicago Division and two members presently residing in Italy. There are currently 3 members of the San Jose "family" residing in the Sacramento Division and one in the Las Vegas Division. All of these members have been identified as members of the San Francisco or San Jose "families by TE informants of the San Francisco Division.

Four top echelon informants of this division who are members of LCN "families" have failed to indicate that the LCN "families" of this division register any control over gambling, narcotics, prostitution or any other organized illegal activity within this division.

The present leadership of the San Francisco "family" has recently been assumed by ANTHONY LIMA, who took over this position when the previous "boss", JAMES JOSEPH LANZA, stepped down in his favor. The "underboss" of the San Francisco "family" is GASPARE "BILL" SCIORTINO and this "family" has one Capo de Decina, VINCENZO INFUSINO, who resides in Modesto, California, in the Sacramento Division.

The leadership of the San Jose "family" remains the same as at the time of the last inspection report with JOSEPH CERRITO, the "boss," PHILIPPO OCTAVIO MORICI and STEFANO ZOCCOLI, Consiglieris, and one Capo de Decina, EMANUEL FIGLIA. No appointment has been made to the position of "underboss" since the death of the previous "underboss," CHARLES CARBONE, in 1967.

2. There are presently 8 members of the San Francisco "family" and 19 members of the San Jose "family" residing in this territory. All of these members have been identified by TE criminal informants of this division.

TE informants of this office who are members of the LCN or associates of members of the LCN have been alerted to continue to furnish information and identities of any individuals

22

who are associated with the LCN in this territory. SF-2689-C-TE has indicated that the recruits are the "second army" of the LCN and to be aware of and on top of activities of the LCN, it is necessary to identify these recruits. Since the last inspection, TE informants have identified an additional 11 recruits of the San Francisco and San Jose "families" residing in this territory or in the Sacramento territory.

As has been reported above, TE informant of this office reported the change in leadership of the "boss" of the San Francisco "family" when JAMES LANZA stepped down in favor of ANTHONY LIMA.

In addition, informants of this office reported the return to the San Jose area of Consigliere STEFANO ZOCCOLI, who has been residing in the Los Angeles territory.

3. The following TE criminal informants are members of the LCN in the San Francisco territory:

SF-2550-C-TE
SF-2689-C-TE
SF-2745-C-TE
SF-3208-C-TE

Agents of the San Francisco Division currently involved in the development of TE criminal informants and in AR investigations are contacting the following PC targets who are members of the LCN in this territory in an effort to develop their cooperation:

SF-2545-PC
SF-2501-PC
SF-2630-PC
SF-2874-PC
SF-3013-PC
SF-2582-PC
SF-2886-PC
SF-3132-PC
SF-3141-PC
SF-3242-PC

Of the above LCN member targets, SF-2501-PC, SF-2874-PC and SF-3141-PC, in contacts to date, have furnished some cooperation and it is felt that with continued contacts, these targets offer excellent potential. In addition, from contacts to date, SF-2630-PC and SF-3013-PC have also expressed some cooperation and it is felt, offer good potential as targets under the TECIP.

23

PART E. TITLE III OF THE OMNIBUS CRIME CONTROL AND SAFE
STREETS ACT OF 1968

1. All agents assigned to Squad #4, handling CIP matters, are thoroughly familiar with all aspects of Title III.
2. Yes. See 3. below.
3. Since the last inspection, extensive investigation, as previously reported herein, has been conducted in the GIUSEPPE CONFORTE; ETAL case. During recent weeks, an affidavit for a Title III electronics surveillance has been prepared with the assistance of the Departmental attorney at San Francisco. This case, as well as the affidavit, has been discussed with the Organized Crime Section, Department of Justice, by the Departmental attorney and it is agreed that upon completion of investigation currently being conducted by the Honolulu Office, these results should be added to the affidavit and immediately submitted to the Bureau and the Department for approval.

24/

ADDENDUM
INSPECTOR ARNOLD C. LARSON:
10/27/70

AL
OFL:dp

The following comments
are based on a review of
information of pending
files and interviews

with appropriate personnel:

LA COSA NOSTRA (LCN)

Investigation by your office revealed the existence of two LCN "families" within your territory. Membership within these "families" total 64 individuals. Your investigation revealed neither "family" is considered to be very strong and has little or no illegal operations being conducted on a day to day basis.

One "family" is centered in the San Francisco area and has for the past few years been headed by James Lanza, an attendee at the Apalachin meeting in 1957. Lanza has recently stepped down as boss of the San Francisco "family" and has been replaced by Toni Lima. Your investigation reveals that Lima's leadership has not been approved by the "commission." You should follow this matter closely so you will be in a position to know all activities relating to this change in position.

The second "family" is centered in the San Jose area and is headed by boss Joe Cerrito. This "family" exhibits little enthusiasm for illegal operations. You should closely follow the activities of members of this "family" to insure that any illegal operations are immediately known to your office.

Organized Crime

Although prostitution, gambling and narcotic activities exist within your division, there is no indication from your investigations that these operations are controlled by either the LCN or other organized groups. Your investigations should be continually pursued with vigor in order that your office will be aware of any illegal operations within your division. This is particularly true in regard to gambling activities in view of the recent passage of Senate Bill 30.

As you are aware provisions of Senate Bill 30 made it a Federal crime in certain gambling operations and it will not be necessary to prove interstate aspects of the gambling activity.

Top Echelon Criminal Informant Program (TECIP)

The following is an analysis of your Top Echelon Informant Program at this time as compared with the last inspection:

<u>Rating</u>	<u>Last Inspection</u>	<u>Present Inspection</u>
Excellent	4	3
Very Good	2	3
Good	1	3
Fair	0	1
Poor	0	0
Insufficient Data to Rate	<u>0</u>	<u>0</u>
Totals	7	10

It is noted your office has penetrated the LCN "families" in both San Jose and San Francisco through the development of member informants. This is very noteworthy and you are encouraged to make certain that your member informants are utilized to the best advantage of the Bureau. Also, it is noteworthy that you have increased your TE coverage from 7 to 10 since the last inspection.

SF 3058-C-TE (San Francisco file 137-4670; Bureau file 137-17455) was rated fair because of a lack of productivity. You should follow instructions issued in Bureau letter dated July 14, 1970 and if this informant is unproductive for four months subsequent to the receipt of that letter the informant should be closed.

Although SF 2745-C-TE (San Francisco file 137-3456; Bureau file 137-11174) was rated good, his progress should be closely followed. Although he is noted to be a member informant the file indicates he is very sick with varicose veins and is very old. The majority of information furnished by this source has been of a nature of past activities and little present information is being furnished by him. You should endeavor to have him furnish more productive recent informant or give consideration to concentrate on a more productive source.

A review of your file 137-5207, Bureau file 137-20313 concerning SF 3208-C-TE indicates the source was last contacted on June 26, 1970. The file indicates this source sold his business and left for Los Angeles and this information was learned by your office on August 13, 1970. The file also indicates this TE left the New York area because of being a victim of a shylock loan. In view of this information you should closely follow this informant's activities and be circumspect in dealing with the informant to prevent any possible embarrassing situation from arising.

The following is a rating of the PCs and a comparison with the ratings at the time of the last inspection:

<u>Rating</u>	<u>Last Inspection</u>	<u>Present Inspection</u>
Excellent	0	1
Very Good	6	7
Good	11	24
Fair	1	3
Poor	1	1
Insufficient Data to Rate	<u>20</u>	<u>10</u>
Totals	39	46

It is very encouraging to note that you have increased your targets from 39 from the time of the last inspection to 46 at the time of this inspection. You are encouraged to continue this most desirable trend.

SF 2123-PC (San Francisco file 137-4945; Bureau file 137-11841) was rated fair. This target was opened on April 8, 1968 and was last contacted on October 10, 1969. You advised that contact is being held in abeyance pending a surveillance which was conducted by the Oakland Police Department in early 1970. In view of the length of time since this case was opened and the length of time since this target was contacted he was rated fair.

SF 2630-PC (San Francisco file 137-2967; Bureau file 137-9023) was rated fair. By letter dated December 10, 1968 the Bureau advised that this target was over two years old and that you should consider deleting within four months if he was unproductive. This informant was also rated fair during the last inspection because of lack of productivity.

The only reason this informant is being classified fair instead of poor is because information contained in your letter to the Bureau dated September 18, 1970 wherein your informant reported information was furnished by a TE to the effect that the present "boss" of the San Francisco LCN "family" had been discussing leadership of the San Francisco LCN with the target. You are instructed that in the event he does not furnish valuable positive information within 90 days he should be closed and a more suitable target developed.

SF 3061-PC (San Francisco file 137-4768; Bureau file 137-17558) was also rated fair. This target along with the other two targets rated fair should be closely followed for 90 days and be given specific assignments during that period of time. In the event they are unproductive they should be closed.

SF 2582-PC (San Francisco file 137-2698; Bureau file 137-8249) was rated poor and should be closed.

In regard to your PCs, the following specific instructions are being furnished you:

SF 2656-PC (San Francisco file 137-3086; Bureau file 137-9425) was rated good because of his being close to San Jose LCN member Dominick Anzalone and Pittsburgh LCN member George Adragna who recently moved to San Jose. He is also close to LCN "recruit" Vito Adragna. It is noted that this target has been opened for a period of more than one year and has been furnishing general rather than any specific information. You should encourage this informant to furnish some specific information concerning these people who he is close to in order that he may be retained as a target of your office.

SF 3318-PC (San Francisco file 137-5545; Bureau file 137-22526) has been a target of your office since December 26, 1969. Unless your office is in possession of some specific information to the contrary he should be immediately interviewed to determine whether he will be cooperative with your office.

SF 3135-PC (San Francisco file 137-5010; Bureau file 137-19079) was opened on May 17, 1968. During the two inspections since he was opened this PC was rated Unsufficient Data to Rate. On November 20, 1969 you advised that an interview of this PC was being held in abeyance pending an investigation by the Oakland, California Police Department. The file indicates that that investigation was completed on August 6, 1970 with your target paying a \$125 fine. On August 19, 1970 you advised that interview of the target was being delayed pending further investigation. You are instructed that this interview should be immediately conducted in order to determine if this target will be cooperative with your office.

SF 3297-PC (San Francisco file 137-5457; Bureau file 137-22106) was opened on October 17, 1969. The file indicates that this target has never been interviewed and you indicate that contact with the target is being delayed until a more logical area of vulnerability is developed. Inasmuch as this target is over one year old it is felt that sufficient information should be developed so that your office might approach this target to determine if he will be cooperative with your office.

SF 3192-PC (San Francisco file 137-5016; Bureau file 137-10982) was opened on May 21, 1968. SF 3110-PC (San Francisco file 137-2182; Bureau file 137-22452) has been opened since December 8, 1969. It would appear that sufficient time has elapsed in order for your office to develop background information so that an interview of these targets can be conducted. You should without further delay interview these targets to determine if they will be cooperative and if not you should consider closing and finding more suitable targets for development.

Information you furnished indicates there are ten SAs who are working either exclusively or virtually exclusively on the CIP and IGA program who have not developed TEs. Although all ten Agents have PCs their progress should be closely followed to insure their participation in the development of TEs. In this regard you may desire to reiterate provisions of the Manual of Instructions to the Agents on the program concerning the qualifications of TE informants.

All Agents are to be reminded that in dealing with informants, they are to be particularly alert and not leave themselves open for criticism or false accusations. The importance of having an alternate contacting Agent or another Agent along during the course of certain interviews is advisable in case any compromising situation is attempted.

With the recent enactment of Senate Bill 30 you should concentrate on increasing your informant coverage in the areas covered by this legislation. Also in regard to the passage of Senate Bill 30 dealing with gambling, which you are aware does not now require interstate activity, you should not overlook the utilization of your racial informants to furnish information to your office concerning gambling activities. Other divisions of the Bureau have been particularly successful in coordinating the information from racial informants in to the CIP and IGA programs.

Statistical Accomplishments

During the fiscal year (fy) you recorded two convictions in the CIP-IGA category. During the fy 1970 your office had three convictions. During the first three months of fy 1971 you have recorded one conviction in this category.

According to the information furnished by your office you have four cases pending prosecution, two of which are in the 159 (LMRDA-IM) category and two are in the 92 (Anti-Racketeering) category. Only one of these cases is in the CIP-IGA program. A review of your files indicates that in file 179-24 in a case captioned JAMES FRATIANNO, EXTORTIONATE CREDIT TRANSACTION (ECT), the subject was indicted under Title 18, Section 894 of the U.S. Code. Your office was working the case under Anti-Racketeering classification and the file was opened after the ECT indictment.

In regard to the possible statistical accomplishments, from the above file it would appear the local office of the United States Attorney will seek indictments under the ECT statute. A review of your cases in this category reveal only three Office of Origin cases. The files also indicate instances wherein there are shylocking activities among the gamblers where there are large debts outstanding. A review of your

file 165-100 on Kenneth Joseph Zahnd, aka; Morris Cooper, ITWI, indicates the local office of the United States Attorney appears to be in no rush to seek Grand Jury indictments on gambling matters. If the local office of the United States Attorney will entertain prosecution under ECT and is in no rush to seek indictments under the gambling statute, you should review at squad conferences with Agents assigned to the program provisions of SAC letter 68-46 dated August 20, 1968 wherein provisions of the ECT statute are set forth.

In relation to statistical accomplishments, prior experience has shown a direct relationship between Office of Origin cases in a particular classification and statistical accomplishments. As of September 30, 1970 your monthly administrative report reflects the following Office of Origin cases in the categories enumerated:

<u>Classification</u>	<u>Office of Origin Cases</u>
92	99
143	0
144	0
162	22
165	50
166	128
168	0
172	1
179	2

A review of the monthly administrative reports since the last inspection indicates your office of origin cases has remained fairly constant since the last inspection. With the increase of manpower on this program and the addition of informant development since the last inspection it is anticipated that your office should be in position at this point to begin to show results in regard to the statistical accomplishment phase of this program.

Supervision And Manpower

The CIP and IGA program is supervised by Supervisor Charles N. Hiner. Discussions with Supervisor Hiner and personnel assigned to the program indicate a very enthusiastic approach to the problems involved in this program.

Immediately prior to the last inspection, by letter May 29, 1970 captioned "CRIMINAL INTELLIGENCE PROGRAM, ASSIGNMENT OF ADDITIONAL MANPOWER," you advised the Bureau of the addition of ten Agents to be assigned exclusively to this program. Your success since that time has been noted by the addition of one conviction in 1970 vs. 1969. Also you have added three TEs to the program and seven additional PCs. This is to your credit and you are encouraged to continue this favorable trend. However, the collection of intelligence information, though very important, is only one phase of this program. The other phase of the program which must receive close supervision and personal attention is the obtaining of convictions to fulfill the Bureau's responsibility toward statistical accomplishments.

In regard to statistical accomplishments, other divisions of the Bureau have been very successful in the utilization of Title 3. The utilization of Title 3 requires extensive use of manpower and if the Title 3 you are presently awaiting approval is approved you should judiciously use manpower in the operation of the Title 3 installation.

In regard to the utilization of manpower, it is imperative that all Agents assigned to this program show the necessary zeal to accomplish the desired results of intelligence information and statistical accomplishments. In the event any Agents assigned to the program fail to show the necessary enthusiasm consideration should be given to the reassignment of those Agents to other squads.

Administration And Files

Several instances were noted wherein the "pink sheet" were not completed although the informant files have been opened for a considerable period of time. The following are instances of this:

137-2341	137-5457
137-5545	137-3813
137-5651	137-3241
137-5688	137-5293
137-5650	137-5423
137-5597	
137-5323	

There were four instances wherein you were instructed during the last inspection to complete the pink sheet and although 14 months have passed since last inspection these pink sheets have not been completed. While failure to complete the pink sheet when instructed does not necessarily indicate an Agent's enthusiasm in working this program, it does not show the desired attitude. These four instances are as follows:

137-4768
137-5015
137-4945
137-5016

A review of your 162 files indicates several instances wherein Bureau instructions were not followed. These Bureau instructions were set forth in Bureau airtel dated April 2, 1969, captioned "INTERSTATE GAMBLING ACTIVITY MATTERS." This is found in your file 162-00-21. Briefly, these instructions stated that the 162 classification should be reserved for "intelligence-type" inquiries and that substantive cases should be opened under the proper classification. These files which were opened on individual gamblers were as follows:

162-897
162-896
162-893
162-885
162-883
162-902
162-903
162-892
162-899
162-733
162-900

A review of your 166 files indicates cases which appear to be of dubious prosecutive potential and you should closely follow these cases to insure that when it is determined they are of no intelligence or prosecutive value these cases should be immediately closed. Instances are as follows:

166-1628	166-1623	166-1652	166-1614
166-1510	166-1624	166-1650	166-1615
166-1491	166-1625	166-1635	166-1616
166-1550	166-1627	166-1634	166-1571
166-1551	166-1630	166-1646	166-1572
166-1633	166-1607	166-1648	166-1567
166-1632	166-1610	166-1649	166-1575
166-1631	166-1653	166-1667	166-1576

Dissemination

Your office has been very successful in obtaining favorable results in dissemination of information to local law enforcement agencies concerning local violations developed during the investigation. You are encouraged to continue this favorable trend; however, you should bear in mind that violations that were strictly local in nature previously may now be covered by the recent enactment of Senate Bill 30. Those which are determined to be Federal violations, of course, should be prosecuted in Federal court.

New Legislation

A review of your files indicates you have complied with Bureau letter dated January 27, 1970, concerning the then proposed Senate Bill 30. You should closely follow guidelines formulated by the Bureau in regard to this new legislation in order that your office will be abreast of the latest information so that the Bureau's responsibilities in the organized crime field can be fulfilled.

Observations and Instructions

(1) Provisions of Title 3, the Extortionate Credit Transaction statute and of the Manual of Instructions concerning the qualification of TEs should be reiterated to all Agents on the program at squad conferences.

(2) You should stress to all Agents on the program the necessity of developing quality TEs.

(3) You should stress the necessity of proper utilization of Title 3 installations as other field divisions have been very successful in this regard in obtaining a backlog of potential statistical accomplishments.

(4) You should concentrate on quality cases which have prosecutive potential which will obtain the desired statistical accomplishments.

(5) You should keep abreast of policy in regard to new Senate Bill 30 so that the Bureau's responsibility in this regard can be fulfilled.

Comments of Supervisor HINER and SAC requested.

SUPERVISOR CHARLES N. HINER AND

SAC ROBERT E. GEBHARDT

Inspector's in-depth analysis and favorable comments regarding positive results achieved in the Criminal Intelligence Program are appreciated. You are assured the observation and comments will be closely followed and implemented.

SELECTIVE SERVICE MATTERS

4-M-5

INSPECTOR *Arnold* C. LARSON: The following comments, observations, recommendations and instructions are being made after an in-depth review of a representative number of your Selective Service Act matter cases and administrative files along with conversations with supervisory and Agent personnel and review of the answers to questions in a separate yellow (4-M-5):

The San Francisco area is a haven to draft dodgers and this undesirable situation will not be reversed until we make this area unattractive for "bums," "hippies," and members of white and black extremist groups who come to San Francisco in order to avoid the draft. Several obstacles must be surmounted in order to reverse this undesirable situation. The indifferent attitude that the judges have displayed to date must be reversed towards a tough handling of Selective Service Act violators. Supervisory and Agent personnel must maintain an aggressive attitude and continue to be a leader in streamlining processing procedures by the United States Attorney's Office and various Selective Service Boards to insure that these violators are promptly prosecuted in the courts. Every technique available to the Bureau should be used to get the judges, United States Attorney and public riled up about this ridiculous situation. Aggravated violators should be put in jail.

There are 2,983 "hippie-type" communes in the San Francisco Division comprising in excess of 20,000 population. 1,050 of these communes are located in the Berkeley and Oakland areas comprising in excess of 10,000 population and 43 communes are known to be violently oriented. Your office has eight subjects who have committed Selective Service Act violations that are members of white and black extremist groups. Every effort should be made to take these individuals out of circulation by placing them in jail. Information concerning their activities with extremist groups should be furnished to the probation officers so that they can so inform the judges in their presentencing report. All Agents handling Racial Matters and Selective Service Act matters should be periodically reminded to be on the alert

SAN FRANCISCO INSPECTION

4-M-5

10/28/70

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to identify members of the Black Panther Party, Students for a Democratic Society, and other members of extremist groups who are in violation of Selective Service Act matters. These should be promptly discussed with the United States Attorney for expeditious handling.

There are several reasons why the draft dodgers come to this area to beat the draft, however, the six most important reasons are as follows:

1. Nationwide publicity during the last three years concerning San Francisco being a haven for draft dodgers.
2. The apathetic attitude of the United States District Judges. Sentences have been very light and many decisions were adverse due to technical grounds which made prosecution of additional cases difficult.
3. Large panel of attorneys, most, if not all, of them of civil liberties inclination, was formed a few years ago in San Francisco under the auspices of the U. S. District Court for the purpose of defending Selective Service Act violators. The attorneys are appointed from this panel, by the court, when a man cannot afford his own attorney. The expenses for the violators' defense are paid out of the U. S. Legal Assistance or Public Defender Fund in San Francisco. Many of these attorneys have not only defended inductees who refused to step forward for induction, but have furnished legal advice and assistance to various Resistance movements in the area.
4. The Resistance, a loose organization in various colleges throughout the United States, has counsellors who assist registrants in deciding what their rights and possibilities are under the Act. The Resistance has several offices in various parts of Berkeley, Oakland and San Francisco where men can go for advice.

5. Investigations have developed strong indications that there is a loosely organized movement by registrants to deliberately crowd the court calendars in San Francisco to make the reaching of any one man as slow as possible. This will also give the violator the opportunity of getting the indictment against him dismissed alleging that the defendant cannot receive a speedy trial.
6. The former United States Attorney had on his staff an assistant handling 25 cases who had never served in the Armed Forces and was outwardly sympathetic towards the Selective Service Act violators. The new United States Attorney has a good attitude towards the prosecution of these violators, however, he has not completely replaced the staff of the old United States Attorney.

A major portion of the Selective Service Act violations in the San Francisco Division pertains to the inductees failing to step forward to be sworn into the Armed Forces, thereby refusing induction. The Armed Forces Examining and Entrance Station located in Oakland, California handles all inductions for Northern California and part of Nevada and handles approximately five per cent of all inductions in the United States.

Approximately 38 per cent of all refusals for induction into the Armed Forces arise at Oakland, according to the Department of the Army statistics. Many registrants from all over the United States come to the San Francisco area for the specific purpose of having their local draft board changed to this area, and after meeting all other requirements for induction, refuse to step forward to be inducted knowing that they will have two years or longer of freedom due to the slow handling of these cases by the Selective Service Board, United States Attorney's Office and the courts. San Francisco has several cases where the violations are over two years old in which no prosecutive action has been taken.

It is evident from the backlog of cases awaiting trial (414), backlog of cases awaiting prosecutive action by the Federal Grand Jury (749) and the fact that these violations are being received by your office at the average rate of 175 cases per month, that something must be done to get these cases before the courts. The most aggravated cases should be singled out and tried first, particularly those individuals who are members of extremist groups. Experience has shown that after several subjects have received rigid sentences, and a widely publicized trial, that many subjects enter guilty pleas hoping for lesser sentences by avoiding the Government the expense of a trial.

It is recognized the San Francisco Division has been most forcefully making every effort to expedite the handling of these cases, particularly through the judiciary. Indications are that the relatively newly appointed United States Attorney is sympathetic and receptive to the problem and is making an effort to diminish the backlog of cases awaiting Grand Jury presentations, but it is recognized once an indictment is returned, it is then up to the judiciary to proceed through the final step, to which they have not been particularly receptive. They have not responded enthusiastically to handling these matters in Federal Court.

It is obvious the Federal Judges in Northern California (San Francisco Division) have resisted any and all pressures brought to bear upon them concerning this problem. In my analysis of this situation, I have determined that the United States Attorney's Office, personnel of the FBI, and Selective Service personnel have all attempted to influence the Judges in handling these matters more expeditiously to no avail. Furthermore, within recent months there has been wide-spread nation-wide publicity relative to their coddling and minimizing this particular problem. This apparently has had no effect upon them. It would, therefore, appear that the various Federal Judges will not react to this problem unless some superior influential individual or group can forcefully bring this matter to their attention, particularly if such individual or group is one which the Federal Judges would respect. The obvious answer is the Administrator of the Courts for the Federal Judicial System in Washington, D.C. and/or Chief Justice of the Supreme Court, WARREN BURGER.

You are, therefore, instructed to suggest to the Bureau that the contents of the letterhead memorandum setting forth this overall problem be brought to the attention of the Attorney General with the further suggestion that the Attorney General bring this matter to the attention of the Administrator of the Courts of the Federal Judicial System and/or Chief Justice BURGER for his analysis and information, and the further suggestion he may desire to communicate with the Chief Federal Judge in San Francisco relative to these matters.

SAC, ASAC, Supervisory and Agent personnel should take advantage of every opportunity to personally discuss this aggravated situation with the United States Attorney, Selective Service Board officials, SAC contacts and other prominent individuals to get them riled up about this ridiculous situation. Insure that continuous close liaison is maintained by supervisory and Agent personnel with United States Attorney's Office and various local draft board officials to insure that these cases are promptly processed and prosecuted.

Your office in April, 1969 suggested to the former United States Attorney that arresting several inductees on the spot might have a favorable effect upon lowering the rate of refusals at the Oakland Induction Center. The only objection given by the former United States Attorney was that the case of the registrant must be presented to the Federal Grand Jury within two weeks after arrest. Due to your effective liaison, most of the "bottlenecks" have been worked out between the Selective Service Board and United States Attorney's Office in which these arrests can now be effected. You should be alert to members of extremist groups who will fail to step forward at the time of their induction and appropriately arrange with the United States Attorney for authority to arrest these individuals on the spot. You should insure that such arrests are given adequate press coverage. Such plans should be brought to the attention of the Bureau for their consideration in making a national press release, if warranted.

You must closely coordinate Selective Service Act cases with Agents handling extremist groups such as the Black Panther Party, Weatherman, SDS, etc. These files should be cross-referenced by appropriate memoranda.

Statistical Accomplishments and Administrative Handling of Cases

As of 9/30/70, you had 1,873 origin Selective Service matters (1,799 active and 74 inactive). Between March and September 1970 you received 1,186 Selective Service Act matters for investigation, an average of 169 (1,186 - 7) per month. As of 10/23/70, 1,163 of the origin cases were completed. 749 cases are awaiting the United States Attorney's (USA) prosecutive decision, and 414 cases involve indictments of subjects and are awaiting trial. The case load is split about in half between Headquarters City and Resident Agents. 17 Agents are assigned to Squad 6 who handle only Selective Service Act (SSA) matters and their informants. One Agent has been on extended sick leave. Approximately 18 Resident Agents spend between 60 to 100% of their time on Selective Service Act matters. During the fiscal year 1970, ending 6/30/70, you recorded 74 convictions and for the first four months of fiscal year 1971, ending 9/30/70, you have recorded 9 convictions.

The procedures followed by your office concerning the immediate handling of subjects who refuse to step forward at the Armed Forces Examining and Entrance Station, Oakland, California, appear to save Agent time and Government expense and should be continued. It is noted, however, that several months elapse between the time the Subject is interviewed and the time the United States Attorney makes his prosecutive decision since he insists that the Selective Service file be processed and forwarded to his office by the State Director of the Selective Service Board. You should have Headquarters city Agents continue close liaison with Selective Service Boards and the United States Attorney's Office to insure that these cases receive expeditious processing and are presented to the Federal Grand Jury at an early date.

Current administrative procedures being followed in these refusal type cases are as follows:

The Induction Officer at the Armed Forces Examining and Entrance Station, Oakland, California, calls an Oakland Agent when there is going to be one or more inductees who will refuse to submit to induction. Inductions are handled on a Wednesday of each week. The Special Agent witnesses the refusal, conducts a short interview of the Subject, and in almost every instance secures an admission from the Subject that he knew he was violating the law and that he had thought

about this matter carefully before refusing to step forward. The Agent during this interview obtains the Subject's current address which is generally different from the one he furnished the Selective Service Board. The Agent places the Subject on notice as to what probably will occur as to an indictment, summons, etc. The Subject is cautioned to remain in touch with his Local Draft Board in order to avoid being a Bureau fugitive.

A case is immediately opened and assigned to the Oakland Agent who prepares a report. Information copies of the report are furnished to the local USA, San Francisco and the field office and the USA covering the Subject's draft board when located in another division. It is the USA's opinion (San Francisco) that the refusal to step forward takes precedence over any prior delinquencies and will be handled by the USA, San Francisco. Instructions are given in leads to Headquarters city Agents and/or auxiliary offices to closely follow the Local Board to insure that all pertinent information regarding the Subject is promptly furnished to the USA, San Francisco.

In order to streamline the administrative handling of these matters as well as keeping the Bureau fully informed of the activity you are taking in these matters to insure prompt prosecutive handling, the following instructions should be followed:

All refusal cases and all other cases in which the investigation is completed should be reassigned to three or four Headquarters city Agents. These Agents will have the responsibility of getting these cases to the Federal Grand Jury and on the trial calendar. Those cases in which the subject becomes a fugitive should be reassigned to another case Agent.

At the present time there are 1163 cases pending prosecutive action. In order to eliminate status letters and reports to the Bureau in these type cases, the following procedures should be followed.

Memos to the SAC should be placed in individual files to keep them from becoming delinquent. When the Subject is indicted the Bureau should be immediately advised in each individual case. Beginning 10/30/70 and continuing on the 15th and 30th of each subsequent month, you are to advise the Bureau, by letter, entitled "SELECTIVE SERVICE ACT MATTERS, SAN FRANCISCO DIVISION" of the activity conducted,

which would include the total number of cases presented to the Federal Grand Jury during the prior two week period, identifying each case by San Francisco file number, Bureau file number and title; the number of cases completed and awaiting Federal Grand Jury action; number of new cases received for investigation and general comments concerning the attitude of the USA's Office and U.S. District Courts concerning these matters. Also you should comment on any favorable publicity being given these matters by the local press media.

In the refusal cases the Bureau should be specifically advised of the status of a case within five months after the violation. The USA should be requested to advise of the prosecutive action he intends to take in each case and this information reported in the individual file.

It is felt that better liaison can be maintained with the USA's Office when only two or three Special Agents present these cases in a group thereby eliminating 30 to 35 different Agents presenting their cases separately. The Bureau will be kept advised on a semi-monthly basis of the activities of your office in getting these SSA matters through the courts. The above procedures will eliminate the dictation and typing of approximately 750 pages each month.

There are a sufficient number of SSA cases in Berkeley, Oakland, San Jose and San Francisco for your consideration of having a Special Clerk handle the review of Selective Service Board records. You should closely review these situations in these particular areas and if warranted recommendations for hiring Special Clerks.

Comments of SAC requested.

SAC ROBERT E. GEBHARDT
(10/29/70)
Supervisor *RA* M. ANDRESS

The inspector's instructions will be followed.

ADMINISTRATIVE OPERATIONS

PAGES 249 through
257 relate solely
to CRIMINAL MATTERS

ADMINISTRATIVE MEMORANDUM

Administrative Handling of Theft
From Interstate Shipment Cases in
the San Francisco Division

INSPECTOR ¹²ARNOLD C. LARSON: During the course of the inspection of the San Francisco Office a review was made of 140 Theft From Interstate Shipment cases. Instances were noted wherein Bureau Regulations concerning the handling of these cases were not followed. Set forth below are instances noted during this review:

In the following cases, it was noted the amount involved appeared to be a minor amount and there appeared to be no aggravating circumstances concerning these violations. In some instances concerning the cases which originated at the San Francisco Airport, it was noted the file indicated there was a possibility of an individual at the airport being involved in the theft. However, it is felt it is not necessary to keep open all the minor cases in order to determine which, if any, employees at the airport may be involved. These cases where minor amounts are involved are as follows:

15-11816
-11977
-11987
-11988
-11989
-11990
-11991
-11993
-11995
-11814
-11946
-11945
-11944
-11947
-11927
-11941
-11926
-11940
-11824
-11992
-11902

SAN FRANCISCO INSPECTION

10/28/70

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-11996
-11994
-11953
-11925
-11923

The FBI Handbook, Part III, Chapter 73, Paragraph F, Page 192, states as follows:

"If complaint is received involving a minor Theft From Interstate Shipment where there are no known aggravating or unusual circumstances, immediately present facts to USA for prosecutive opinion. If USA will not consider Federal prosecution, conduct no investigation, advise complainant, and, where appropriate, refer matter to law enforcement agency having jurisdiction. Confirm to USA and complainant in writing opinion and action taken."

None of the aforementioned cases reviewed indicate you are referring minor violations to the U. S. Attorney to determine if he would prosecute in the event a subject was identified.

There were numerous incidents wherein information had been received and the file contained no FD-302s and no indication that the FD-302s had been dictated.

The following is a list of these files which includes only those files wherein the case is at least 15 calendar days old. These files are identified as follows:

15-11918
-11980
-11816
-12010
-12011
-12013
-12017
-11814
-11947
-11837
-11831
-11983
-11902

-11939
-12006
-11973
-11933
-11969
-12003
-12000
-11999
-11998
-11954
-11925
-11923

The Manual of Rules and Regulations, Section 4, Paragraph C2b and c, provide as follows:

(b) "Information not in a signed statement received from a witness and concerning which the witness may testify" should be reported on the Form FD-302.

(c) "Information which may be the subject matter of testimony of a Bureau Agent" should be reported on the Form FD-302.

Four instances were noted wherein serial numbers have been obtained and, although sufficient time had lapsed, the serial numbers had not been entered into NCIC. These cases are as follows:

15-12006
-11994
-11965
-11877

The Manual of Rules and Regulations, Part II, Section 3, Paragraph F, Page 31 and following pages lists the procedures for entering serial numbers of stolen items into NCIC.

In your file 15-11918 a case was opened wherein the opening memo states there is no Federal violation involved. The alleged purpose of opening this case is because the person who is responsible for this theft may have been involved in a theft wherein FBI jurisdiction was apparent.

Explanations Requested

Supervisor GLENN A. HARTER is requested to explain the following:

1) Why, in his supervision of these matters, he failed to insure that cases involving minor thefts were immediately presented to the U. S. Attorney for prosecutive opinion in accordance with existing Bureau instructions.

2) Why, in his overall supervision, he failed to detect that FD-302s were not prepared in the aforementioned cases.

3) Why he failed to detect that serial numbers in the aforementioned cases were not entered into NCIC.

4) Why a case was opened on 15-11918 when the opening serial indicated no Federal law had been violated.

1 Comments of SAC requested.

4 SUPERVISOR GLENN A. HARTER: 1) This office received a
10/28/70 letter from the U.S. Attorney
dated 6/24/69 wherein the

U.S. Attorney advised that they would not undertake prosecution of minor theft cases. The letter set the guide as those cases of value of less than \$100. This office has been following the interpretation of minor thefts as those having a value of less than \$100. It was the judgment of this office that about all of the airport thefts involved amounts in excess of \$100. It appears that an average loss at the airport would average an estimated \$250, it being noted that the airline companies currently are paying up to \$500 per bag. Therefore, these cases were not judged to be minor cases and had not been discussed with the U.S. Attorney as their value exceeded \$100. In following this policy San Francisco believed that they were in compliance with Section 94 of the Manual regarding presentation of minor cases to the US. Attorney. In the future this office will immediately present cases of the type cited by the Inspector to the U.S. Attorney before any investigation is conducted and will consider suitcase type thefts as minor cases.

2) Submission of FD 302s. Regarding the fact that I had not detected that FD 302s were not included in the 25 files listed by the Inspector, I would like to explain that 13 of these files were opened after September 22 and I had not reviewed any of these files as yet on tickler and thereby would not have had an opportunity to detect the fact that the FD 302 was not listed. The remaining files have not all been available for review at this time but it is obvious that some of these files did not have FD 302s prepared promptly.

3) NCIC Entries. Three of the four files listed where NCIC entries had not been made had not as yet been reviewed on ticklers since they had been received in this office. One of the four files, 15-11994, reflects a suitcase claim check number which is not suitable for entry into the NCIC.

4) File 15-11981 was recommended to be opened by the case Agent as he felt that this shipment involved personnel and circumstances which would be logically worked in connection with other existing TFIS cases and that it might be a lever for possible informant development. The Agent hoped to work this case even though it was not a Federal violation and obtain an

informant and utilizing the Subject's complicity in the case as a possible lever. It was believed that he could obtain a criminal informant.

I regret very much that it was necessary for the Inspector to call to my attention the matters referred to in this administrative write-up. I will take the necessary action to insure that minor cases are immediately presented to the U.S. Attorney, that FD 302s are immediately prepared, that NCIC numbers be immediately entered where pertinent so that it will not be necessary for these matters to be called to my attention again.

SAC ROBERT E. GEBHARDT: The USA advised this office by letter dated 7/16/69 that the FBI should no longer present minor theft cases to the USA's office and that these cases should be deferred to local courts. The office has followed the policy set down by the USA and has utilized his guideline of \$100 as a minor case. In view of his policy, the office has not been receiving minor theft cases, as the local business community has been made aware of the policy of the USA and has not been referring minor cases to the office.

Occasionally some minor case is received from someone not aware of the policy of the USA's office in not prosecuting cases having a value of less than \$100. In the future when a complaint is received regarding a minor theft, the case will be immediately presented to the USA and after his declination, the office will advise the complainant and the USA's office in writing and where appropriate, refer the complaint to the local law enforcement agency having jurisdiction over the violation. This procedure will be in line with the requirements in the Manual of Inspection, Section 94.

ADDENDUM

INSPECTOR *Arnold* C. LARSON: In regard to your answer to this write-up, the following is pointed out to you:

1. Your answer implies the inspector indicated that all suitcase-type thefts are minor thefts. This is completely inaccurate as each case, whether it be a suitcase or otherwise, has to be judged on the merits of the individual case. In the review of 140 cases there was not one single instance wherein the United States Attorney had been consulted to determine if the case was a minor amount and he would not entertain prosecution even if the subject were identified.

2. Concerning the submissions of FD-302's to the file, the following is a tabulation of cases over two months old in which no FD-302 is in the file:

<u>FILE NUMBER</u>	<u>DATE OPENED</u>
15-11918	8/14/70
15-11816	7/6/70
15-11814	7/2/70
15-11947	8/26/70
15-11818	7/10/70
15-11902	8/25/70
15-11939	8/28/70
15-11933	8/21/70

Although the remainder of the 25 files pointed out to you did not contain FD-302's and the files had not come up on ticklers for your review, it is apparent with this number of files without FD-302's the Agents are not receiving adequate instructions in conferences concerning proper preparing of FD-302's in TFIS cases.

3. Although it was pointed out to you wherein NCIC entries on serial numbers had not come up for administrative review, it is apparent that several Agents on your squad have not been properly instructed in the necessity of immediately entering serial numbers into NCIC. It should not be necessary for you to have to remind Agents on your squad on a periodic file review of the necessity of entering serial numbers into NCIC. They should not wait an extended period of time to enter these numbers in NCIC, but the serial numbers should be entered immediately after they are obtained.

4. File 15-11981 was of a purely local nature and should have been worked out of the related Federal violation case rather than open a separate TFIS case wherein no Federal jurisdiction was indicated in the opening serial.

Supervisor HARTER and SAC note.

TREND MEMORANDUM

DESTRUCTION OF
CHANNELIZING MEMORANDUM

INSPECTOR ^{AA.} ARNOLD C. LARSON: Manual of Rules and Regulations, Part II, Section 3, Page 15b, provides for the procedure to follow in the destruction of copies of informant channelizing memoranda after the pertinent information has been incorporated into report form.

While reviewing files during this inspection, it was noted that copies of channelizing memoranda are not being destroyed through the use of Form FD-338 after the pertinent portions of the memoranda have been incorporated into reports.

In some instances the portions of the channelizing memoranda pertaining to specific subjects was of such minor importance so as to preclude their use in reports.

As examples, the following files containing copies of channelizing memoranda which could have been destroyed after the pertinent portions of the memoranda had been incorporated into report form:

65-1242	100-62891
100-51780	100-62978
100-56804	100-64936
100-58683	100-66311
100-60747	105-24264
100-61281	157-1153
100-62319	157-3330
100-62728	157-3890
100-62819	

Some of the above-mentioned files consist of numerous volumes and contain large numbers of channelizing memoranda which could have been destroyed. As examples:

65-1242	117 volumes
100-56804	10 volumes
100-61281	25 volumes
100-60747	4 volumes

SAN FRANCISCO INSPECTION
10/23/70
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258.

The growth of many of these security files and others will necessarily continue. Therefore, the need to utilize FD-338 is extremely desirable. You should insure that all Agents handling these matters are thoroughly impressed with the importance of utilizing FD-338 on a continuing basis. This form can be easily executed when the Agents are actually reviewing files, serial by serial, in preparing reports. Many of these security-type files contain old channelizing memoranda which could have been destroyed at the time previous reports were prepared. It is suggested when future reports are prepared in these matters the respective case agent thoroughly review the entire file to destroy those old channelizing memoranda containing information which had been incorporated into those previous reports.

During such individual review, the provisions of Manual of Rules and Regulations, Part II, Section 3, Page 11c, which provide for the destruction of copies of serials could also be implemented.

Such systematic individual approach to the destruction of channelizing memoranda pursuant to existing Bureau instructions should contribute immeasurably to the conserving of valuable filing space together with making these files more manageable. As you are aware, the need for additional filing space is constantly increasing throughout the Bureau.

Comments of Supervisors

RICHARD G. FLETCHER, JR., ALBERT G. HIGGINS, DAVID E. TODD,
ROBERT S. BERRYMAN and SAC requested.

Supervisor FLETCHER: *[Signature]*

Inspector's comments will be followed.

Supervisor HIGGINS: *[Signature]*

The suggestions of the Inspector will be followed.

Supervisor TODD: *[Signature]*

These instructions will be followed.

Supervisor BERRYMAN: *[Signature]*

Inspector's suggestion will be followed.

SAC GEBHARDT: *[Signature]*

Inspector's suggestion is appreciated and will be followed.

TREND MEMORANDUM

Failure to Properly Execute Daily
Reports and Number Three Cards

Manual of Rules and Regulations, Part II, Section 2, Pages 5 and 6, instructs that the primary purpose of number three locator card is to show where an employee may be reached at all times, and in the preparation of Daily Reports when recording action performed in connection with a new case, the title and classification followed by the word "new" should be inserted on the Daily Report.

A review of Daily Reports (FD-28) submitted by Resident Agents (RA's) in the San Francisco Office disclosed a number of instances wherein investigative activity was performed in new investigative matters which was identified only by the classification and the word "new".

Several instances were also noted in Daily Reports wherein administrative activity was identified in the file number column as "66-", "Admin" and "66-Admin". Other Daily Reports contained a "0" file without further identifying data to record investigative activity.

In the preparation of Daily Reports, it is essential these forms clearly indicate the nature of work being performed at any given time. The use of the particular RA's administrative file number should be confined to those instances where the nature of work being performed relates directly to the administrative operation of the RA.

A review of No. 3 cards disclosed instances where the location of informant contact and the location for lunch was not recorded. It is recognized that it is not always practical or desirable to show the exact address of the location an informant is to be contacted, however, the general locality of the contact should be shown and the location for lunch should always be recorded.

You must insure that all personnel preparing both Daily Reports and No. 3 cards are aware of the need to properly execute same.

Comments of SAC requested.

San Francisco Inspection

10/20/70

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- 2 -

SAC GEBHARDT:
10/27/70

All Agents will be impressed with the necessity to follow the Bureau rules and regulations to the letter.

261.

TREND MEMORANDUM

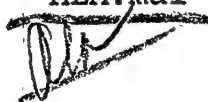
Improper Administrative Handling of
Security and Racial Informant Files

INSPECTOR ^{ALA}ARNOLD C. LARSON: During the inspection of the San Francisco Office, a review of files in the 134 and 170 classifications has disclosed a number of delinquencies in the administrative handling of these files.

It was observed that security informant reports are being disseminated by use of the FD-306. The informant's true name is included in the report in accordance with existing Bureau instructions set forth in the Manual of Instructions, Section 107G, Page 9, Part 2a9. Some of these reports also contained the true name of other symbol number informants. In the latter instances copies of the reports were channelized to the 134 administrative file of the informant showing the file number followed by the symbol number; however, there was no channelization memorandum for a file containing the true name of either the informant furnishing the information or the other informant mentioned in the report. Due to the fact copies of the reports are not being designated for a file under the true name of the informants, the identities of all informants mentioned in the reports are readily apparent to anyone reviewing the 134 file or any of the 100 case files to which copies of the reports are channelized.

It is essential that the identities of all informants be kept on a need to know basis and that they be afforded maximum security. In order to avoid the possibility of disclosing the identities of informants through your channelization procedures, 100 dead files should be opened under the true name of all informants in

SAN FRANCISCO INSPECTION
10/26/70
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262.

your office and copies of reports reflecting their true names should be channelized to these files. In addition to affording greater security to the informant, this procedure will alleviate the necessity for designating copies of the reports to the informant's 134 administrative files and thus avoid placing unnecessary information in these files. The channelization memoranda placed in the 100 case files for informants should be destroyed in accordance with instructions set forth in the Manual of Rules and Regulations, Part II, Section 3, Page 15, Part m2.

With respect to racial informants it was noted that the name of the informant is placed on the pink sheet (FD-377) where it is only necessary to show the serial number where his name appears in the file. It was further observed that in many instances reports of both security and racial informants are not being properly authenticated. Bureau instructions are that the informant's code name should appear immediately below the last line of the report rather than at the bottom of the page. In addition, there were several instances of failure to indicate on the FD-306 the date that the report was authenticated by the informants.

Examples of the above delinquencies are located in the following files:

134-3251	134-2376
134-1834	134-11
134-1046	134-2388
134-545	170-110
134-18	170-517
134-347	170-48
134-970	170-859
134-4312	170-72

As indicated from the above it is apparent that there is a real need for all personnel conducting these investigations to change their administrative handling of informants and information received from them. You

should immediately insure that all of these employees are fully cognizant of and are abiding by Bureau instructions set forth in Sections 107G and 130 of the Manual of Instructions.

Comments of Supervisors ROBERT S. BERRYMAN, ALBERT G. HIGGINS, DAVID E. TODD, and SAC requested.

TJ SUPERVISOR DAVID E. TODD: Inspector's comments have been noted and necessary corrective action will be taken immediately.

GR SUPERVISOR ROBERT S. BERRYMAN: The inspector's instructions will be followed.

AS SUPERVISOR ALBERT G. HIGGINS: The Inspector's observations and remarks have been duly noted and necessary corrective action will be taken.

JM SAC ROBERT E. GEBHARDT: The Inspector's comments regarding the files in the 134 and 170 classifications have been noted and the necessary corrective action will be promptly taken.

TREND MEMORANDUM

INFORMANT CONTACTS

INSPECTOR *RJP* ARNOLD C. LARSON: Manual of Rules and Regulations, Volume 4, Section 107, page 6 (4a), captioned "Contacts by Agents," sets forth instructions regarding the contacting of security informants. It points out except in espionage and foreign nationality matters where frequency of contact is dependent on circumstances, informant should be contacted as often as necessary, but at least one personal contact should be made every two weeks. If such frequent contact cannot be established, specific Bureau authority should be obtained for the exception to this requirement.

While reviewing files during this inspection, it was noted that many of the FD-209s contained in the security informants' files showed distinct lapses of time beyond the prescribed period of time. As examples, the below-listed cases failed to indicate that the informant had been contacted in accordance with the above requirements. These files are as follows:

134-3784	170-314
134-3740	170-368
134-4368	170-371
134-4243	170-381
134-4157	170-381
134-4140	170-503
134-4082	170-506
134-3232	170-506
134-3037	170-513
134-2237	170-576

In view of the critical need for quality security informants in the Bureau's operations, the frequency of contact is important not only to continue the rapport developed between the Agent and informant, but to insure the informant is given sufficient assignments to insure that his potential is exploited to the fullest. It is essential that the FD-209 reflect the proper dates of contacts in order that the close continuous supervision can be afforded this important phase of Bureau work.

SAN FRANCISCO INSPECTION

10/27/70

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265.

Comments of Supervisors

ROBERT S. BERRYMAN and DAVID E. TODD and SAC requested.

FE SUPERVISOR DAVID E. TODD:

be taken to comply with the Inspector's observations.

Inspector's comments have been noted and steps will

GH SUPERVISOR ROBERT S. BERRYMAN:

The Inspector's instructions will be followed.

SAC ROBERT E. GEBHARDT: *RS*

Noted.

TREND MEMORANDUM

IMPROPER MAINTENANCE OF
157-0 (RACIAL MATTERS) FILE

INSPECTOR ¹¹ARNOLD C. LARSON: A review was made of the 157-0 (racial matters) file during the course of the current San Francisco inspection. This file contains several serials which pertain to telephone numbers which were called from or was used to make a collect call to the Black Panther Party (BPP) headquarters in Oakland, California. These serials contain the identity of the subscriber of the telephone number and further contain instructions that investigation should be conducted to establish if Subject is involved in BPP activities and consider Subject's potential as a racial informant.

Examples of the above-described serials are located in the following serials:

157-0-3563	157-0-3501
3552A	3500
3550	3499
3549	3498
3547	3490

Manual of Rules and Regulations, Part 2, Section 3, Page 7, indicates that a zero (0) file is maintained for the purpose of filing nonspecific information. This undesirable trend of filing serials with leads to conduct investigation contained thereon should be terminated. If investigation is to be conducted, a case should be opened and assigned and investigation conducted promptly.

Comments of Supervisor DAVID E. TODD and SAC requested.

SAN FRANCISCO INSPECTION

10/27/70

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The above tabulation indicates there has been a delay in opening cases in addition to the delay in conducting investigation in these matters.

This is a highly undesirable trend and corrective action should be immediately instituted to prohibit delays of this type in this important phase of the Bureau's work. The Black Panther Party is a violence-prone, black militant organization and individuals connected or associated with this group should receive prompt investigative attention.

The FBI Handbook, Part III, page 154D, instructs that black nationalist extremists represent a threat to the internal security of the U.S. and the investigative guidelines in the Manual of Instructions, Volume III, Section 87D, concerning security investigations of individuals apply to them. General guidelines concerning black nationalist matters appear in the Manual of Instructions, Volume IV, Section 122. You should make certain that all personnel handling investigations concerning racial matters are completely familiar with the instructions as set forth in the Manual of Instructions, and investigations are handled pursuant thereto.

Comments of Supervisor DAVID E. TODD and SAC requested.

JE SUPERVISOR DAVID E. TODD:

The Inspector's instructions will be followed.

SAC ROBERT E. GEBHARDT: WJA

Noted. Inspector's instructions will be followed.

TREND MEMORANDUM

Delay In Opening And
Investigating Racial
Matters

INSPECTOR *Arnold* ARNOLD C. LARSON:

A review of a number of pending files in the 157 classification (racial matters) during the course of the current San Francisco inspection disclosed several instances in which cases have been open for a significant period of time but fail to disclose any investigative activity. These files generally pertain to individuals whose telephone number was either called or was used to make a collect call to the Black Panther Party Headquarters in Berkeley and Oakland, California. The purpose of the investigation of these individuals is to determine if they are black militant extremists, and in addition to evaluate their potential as possible racial informants. Examples of files that have been open for a significant period of time without investigative activity contained therein are as follows:

<u>File Number</u>	<u>Date of Memo on Which Case Opened</u>	<u>Date Opened</u>
157-5549	5/8/70 (According to charge-out in file)	7/22/70
157-5573	7/8/70 (According to charge-out in file)	7/30/70
157-5553	4/27/70	7/22/70
157-5540	7/14/70	7/22/70
157-5651	7/17/70	8/18/70
157-5649	7/13/70	8/18/70
157-5629	7/13/70	8/18/70
157-5630	7/15/70	8/18/70
157-5631	7/17/70	8/18/70
157-5655	7/21/70	8/18/70

SAN FRANCISCO INSPECTION

10/26/70

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269.

JE SUPERVISOR DAVID E. TODD:

instructions will be followed.

The Inspector's observations
have been noted and his

SAC ROBERT E. GEBHARDT: *RG*

Noted.

270.

PERSONNEL MATTERS

PERSONNEL INTERVIEWS

6-F

INSPECTOR *Arnold* C. LARSON: During the course of the inspection, the below listed personnel were interviewed by a member of the inspection staff because they were in a supervisory position or because their position required that they be interviewed:

<u>Employee</u>	<u>Position</u>	<u>Interviewed By</u>	<u>Date</u>
MARY SILVERIA	Chief Clerk	ALFRED L. ANDERSON	10/28/70
WINIFRED PAULK	Assistant Chief Clerk	ALFRED L. ANDERSON	10/28/70
LORRAINE M. WEAVER	Principal Stenographer	JAMES M. MURPHY	10/27/70
VERA C. MURPHY	Assistant Principal Stenographer	JAMES M. MURPHY	10/27/70
RICHARD G. MILLER	Approved Speaker	BILL D. WILLIAMS	10/21/70
DWAYNE L. ESKRIDGE	Approved Speaker	O. FRANKLIN LOWIE	10/23/70
FRANK W. MITCHELL	Approved Speaker	STANLEY S. CZARNECKI	10/26/70
WILLIAM N. KIDWELL, JR.	Approved Speaker	JOSEPH H. O'ROURKE	10/23/70
FRANCIS A. KEATING II	New Agent under-going first inspection after 90 days in field	JOSEPH H. O'ROURKE	10/28/70

SAC note.

SAC GEBHARDT: Noted.
10/29/70
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SAN FRANCISCO INSPECTION

10/29/70

6-F

LOFL:mal

Rev. 8/12/70

ADEQUACY OF PERSONNEL
SPECIAL AGENT

6-M-1

INSPECTOR *A.C.* LARSON

During the inspection a careful evaluation will be made as to the adequacy of your Agent complement. Tabulations have been separately requested (work paper 4-L) covering fluctuations of Agent personnel complement, case load, case closings, and delinquency for the past six months and this information should be carefully considered by you in preparing your response.

Set forth the Agent complement which was approved at the time of the last inspection.

How many Agents have you been able to divert to higher priority work as a result of streamlining procedures instituted 7/1/70 in ITSMV and Deserter matters?

If you feel your Agent complement is adequate but not excessive, you should so state. If you have any surplus of Agent personnel you should specify and explain. If you feel additional Agent personnel should be assigned to your office, you should so state and completely justify by tabulations and other factors which you think pertinent.

Add any other comments you feel are pertinent and as the last sentence of your answer set forth your Agent complement as of close of business on closest Friday to date this inspection commenced. Refer to Section 6-M of the Inspectors' Manual for instructions as to inclusion or exclusion of Agents under transfer, resignations, etc.

Comments of SAC requested.

SAN FRANCISCO

INSPECTION

6-M-1

Ar
OCT 16 1970

SAC GEBHARDT
REG:hko
(10/28/70)

I have carefully reviewed the detailed study made and tabulation set forth under 4-L of the work papers. The workload in this office, and particularly the important nature of the increased workload, has steadily increased in the recent past and there is no indication that this trend will change in the near future.

Agent complement at the time of the last inspection was 229, excluding, of course, the Agents assigned to the Defense Language Institute, Monterey. As of 10/16/70, Agent complement was 256, excluding those at the Language School. As of 10/16/70, four Agents were under transfer into the Division and one was under transfer out of the Division. A total of 4-1/2 Agents were diverted to higher priority work as a result of streamlining procedures instituted 7/1/70 in ITSMV and Deserter matters.

As the Inspector and the Bureau are aware, the Bay Area of San Francisco has the greatest potential for violence in the entire United States. The headquarters of the Black Panther Party is located in Oakland. In addition, there are seven Black Panther community centers and a large number of Black Panther pads in the San Francisco Bay Area.

In addition to the Black Panther Party, there is a hard core group of militant, violence-prone New Left organizations and individuals centered in this area. It is known there are many persons in the area who are either Weathermen or espouse the violent, militant doctrine of the Weathermen. In addition, there are 262 individuals who have been connected with the Venceremos Brigade living in this area and, as the Inspector and the Bureau are aware, the Revolutionary Union organization has numerous members in this area. This office and the present complement of personnel have been and are making every effort to fulfill its responsibilities with respect to the activities of these violent militant groups. Since May, 1970, an additional 17 men have been added to handle these important responsibilities. It is felt, while we are making headway, one of the prime thrusts in our investigations of these violent groups is the realization of the absolute necessity to develop live quality informants within the inner core of such groups so that we can anticipate their future activities.

As the Inspector and the Bureau are aware, a Russian Consulate will be operational in San Francisco in the immediate future. Already four members of the Consulate have arrived in San Francisco, including the Consul and Vice Consul. It is known three of these four individuals are KGB agents. There is every indication that, while they do not have a specific physical building as yet, they are already conducting business to a certain degree out of their hotel and apartments. Our responsibilities in this regard have already increased and, as soon as a physical building is established, our responsibilities will increase tremendously.

As indicated previously, this office is making every possible effort to fulfill its responsibilities with the present complement of 256 Agents and will continue to do so, since this office does recognize the over-all needs of the Bureau with respect to the assignment of the Agent personnel.

274.

ADDENDUM
INSPECTOR ARNOLD C. LARSON:

ACL:dp
10/28/70

During the inspection a careful evaluation was made as to the adequacy of your agent compliment bearing in mind the case load, cases closed, delinquencies and types of cases assigned.

It is fully agreed that the San Francisco Office is the hub of the Black Panther Party operations which creates potential for violence. It also has a concentration of New Left and violence-oriented individuals and is a center for Selective Service violators. These along with your other responsibilities draw heavily upon your manpower.

Your division has a unique situation with respect to Selective Service cases. As of September 30, 1970, your office had pending 2,257 cases in this classification. In analyzing these it was determined that many of these require very little investigation and 1,163 are either under indictment or awaiting prosecutive action of some type. (A special write-up has been prepared concerning Selective Service Act cases for streamlining procedures) In analyzing the Selective Service case load of 1,111 pending cases requiring investigation, approximately 50 percent are in headquarters city. There are 16 men assigned to these investigations for an average case load of 34.4 of cases.

In an effort to determine the average case load of this office in categories other than Selective Service, a computation was made by eliminating the Selective Service Act cases and those agents handling (2,178 pending active and 27 agents as of 9/30/70). It was determined that the average case load for the remaining agents was 32.5. This computation for the proceeding five months reflected the following:

August 1970	average case load	32.7
July 1970		32.5
June 1970		31.1
May 1970		31.9
April 1970		34.4

With respect to the work load of the individual squads, the following is called to your attention for consideration in diverting personnel to assignments where manpower is needed:

Squad 4, the case load remained almost constant during this period (539 cases in April, 530 in September) and one agent was added to the complement.

Squad 5 pending active case load declined from 655 cases to 508 cases or 16 per cent while the agent complement remained constant. As will be noted, the average case load is approximately 29 and the type of cases handled on this squad do not appear to be complicated or involved. The percentage of cases closed during the period averaged 39 per cent per month.

Squad 10 case load was analyzed for the period from December, 1968, through September, 1970. The case load as of the first date was 692 cases with 16 agents. At the latter date there were 773 pending active cases with 22 agents.

In addition, it is recommended that maximum utilization be made of the Special Clerk program to relieve Special Agents for higher priority assignments. One Special Clerk is recommended for the Berkeley Resident Agency for record checks. It is suggested that you explore the use of Special Clerks for checking Selective Service records in view of your vast volume of cases of this type. Consider Special Clerks for complaint duty and monitoring.

You should constantly re-evaluate your manpower situation and make adjustments where necessary to insure that the Bureau's interests are being fully carried out. Divert manpower to priority assignments and make necessary adjustments through your re-evaluation and realignment to insure that the work load is equitably shared, priorities emphasized and any deficiencies corrected. Keep the Bureau fully informed concerning your manpower and all requests for additional manpower will be fully and closely scrutinized in light of your potential for accomplishments, efficiencies in administrative and investigation operations and the demands placed upon the Bureau through expanded jurisdiction.

Comments of SAC requested:

SAC GEBHARDT:
10/29/70

The Inspector's in-depth analysis and evaluation as to the adequacy of the Agent complement of this Division is appreciated. He is assured all of the suggestions made by him will be fully considered and we will constantly re-evaluate our manpower situation and make adjustments where necessary to insure the Bureau's wishes are being fully carried out.

Rev. 8/4/69

ADEQUACY OF PERSONNEL
CLERICAL

6-M-2

INSPECTOR *AC* LARSON

Set forth tabulation of the clerical complement of your office showing separately total number of employees assigned to each of following three categories: "Chief Clerk's Office," "Stenographic Personnel" and "Clerks not Available to Chief Clerk's Office," plus overall total of your clerical staff. List complete titles and grades involved and in listing Investigative Clerks indicate whether at headquarters city or if at a Resident Agency, so identify (see Format page 2). In mentioning resignations or in referring to employees in the military or on maternity leave, extended sick leave or special assignment to another division, identify employee by name, title and grade and state whether such personnel have been replaced and, if so, whether the overage thus created is to be reduced by attrition.

Describe additional positions established since last inspection and state whether filling of same was from approved complement or necessitated hiring additional personnel. In any category where there has been an increase or decrease set forth a specific explanation, including whether authorization for increase was based on such things as (1) need to replace employee on maternity leave or extended sick leave; (2) increased work load; (3) June overhiring; or (4) transfer in to relocate employee. Where there are increases cite Bureau communications authorizing such increases. Reconcile any differences between your assigned personnel complement (total clerical employees shown on tabulation) and your "authorized" complement (total clerical employees approved at the last inspection - plus or minus any changes since authorized by the Bureau).

Third column of the tabulation should include only those vacancies you have received authority to fill or that you intend seeking authority to fill.

If you feel your clerical complement is adequate but not excessive, so state. If you have any surplus of clerical personnel you should specify and explain. If you feel additional clerical personnel should be assigned to your office, so state and completely justify by tabulations and other factors which you think pertinent.

Comments of SAC requested.

SAN FRANCISCO INSPECTION

SAC GEBHARDT
10/21/70

6-M

CHIEF CLERK'S OFFICE

CLERICAL COMPLEMENT

<u>Grade</u>	<u>Position</u>	<u>Last Insp.</u> <u>6/20/69</u>	<u>This Insp.</u> <u>10/16/70</u>	<u>Increase or</u> <u>Decrease</u>	<u>Vacancies</u>
GS-11	Chief Clerk	1	1	0	0
GS-10	Asst. Chief Clerk	1	1	0	0
GS-6	Supervisory Clerk	1	1	0	0
GS-6	Supv. Communications Operator	0	1	+1	0
GS-5	File Reviews & Summaries	4	4	0	1
GS-5	Security Index	1	1	0	0
GS-5	Security Patrol	1	0	-1	1
GS-5	Mail & File Supervisors	3	3	0	0
GS-5	Radio Dispatcher	1	1	0	0
GS-5	Supervisory Communications Operator (up-graded to GS6)	1	0	-1	0
GS-5	Supervisory Photographer	1	1	0	0
GS-5	Clerk Midnight Shift	1	1	0	0
GS-4	File Review	3	1	-2	2
GS-4	File Supervisor	3	3	0	0
GS-4	Photographer-Asst. Supervisor	1	1	0	0
GS-4	Accounting	1	1	0	0
GS-4	Confidential Files (IS-R)	2	2	0	0
GS-4	Informant Records	2	2	0	0
GS-4	Dispatcher-Switchboard	1	1	0	0
GS-4	Crypto-Equipment Operator	1	1	0	0
GS-4	Communications Clerk (NCIC)	0	1	+1	0
GS-4	Supply	1	1	0	0
GS-4	Rotor Units	11	10	-1	1
GS-3	Rotor Units	1	2	+1	1
GS-3	Indices-Searching	3	4	+1	0
GS-3	Teletype-Telephone	4	4	0	0
GS-3	Midnight Shift	2	2	0	0
GS-3	File Clerks	6	9	+3	0
GS-3	Mail	2	2	0	0
GS-3	Night Clerks-mail & file	6	5	-1	1
GS-3	Photographic Aide	5	3	-2	2
GS-3	Supply Clerk	0	1	+1	0
GS-3	Time and leave	1	1	0	0
GS-2	Matching, Filing & Messengers	8	4	-4	1
	TOTAL COMPLEMENT	80	76	-4	10

279.

Last Insp. 6/20/69	This Insp. 10/16/70	Increase or Decrease	Vacancies
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AUTHORIZED COMPLEMENT
(Includes 4 overhires
authorized per Bulet 6/8/70

ACTUAL AUTHORIZED COMPLEMENT	82	82	0
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CCO is six under its regular authorized complement of 82:

Person requests for replacements are pending with the Bureau
(includes four overhires).

Addition of one Communications Operator GS-4 (NCIC duties)
authorized 4/15/70, because of the increased load in NCIC
operations. Position filled from approved complement.

STENO POOL

Grade	Position	Last Insp. 6/20/69	This Insp. 10/16/70	Increase or Decrease	Vacancies
S-8	Secretary SAC	1	1	0	0
S-7	Secretary ASAC	1	1	0	0
S-7	Steno Supervisor	1	1	0	0
S-6	Steno Supervisor	1	1	0	0
S-6	Secretary SAC's Office	1	1	0	0
S-5	Steno Supervisor	2	2	0	0
S-5	Secretaries	11	11	0	0
S-5	Clerk-Stenos	10	14	+4	1
S-4	Clerk-Stenos	14	21	+7	0
S-4	Machine Transcribers (2 promotions)	3	2	-1	0
S-4	Information Receptionist	1	1	0	0
S-3	Clerk-Typists	4	6	+2	0
TOTAL STENO POOL COMPLEMENT		50	62	+12	1

AUTHORIZED COMPLEMENT
(includes six overhires
authorized by Bulet 6/8/70

ACTUAL AUTHORIZED COMPLEMENT	63	63	0
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Steno Pool is one under its regularly authorized complement of 63.

CLERKS NOT AVAILABLE TO
CHIEF CLERK'S OFFICE

Grade	Position	Last Insp. 6/20/69	This Insp. 10/16/70	Increase or Decrease	Vacancies
S-11	Radio Maintenance Technician	1	1	0	0
S-10	Radio Maintenance Technician	0	1	+1	0
S-10	Special Employee	6	5	-1	0
S-9	Radio Maintenance Technician	1	0	-1	0
S-9	Translator	1	0	-1	0***
S-7	Radio Maintenance Technician	1	1	0	0*
S-5	Special Clerk	0	1	+1	1**
S-7	Investigative Clerk (1 San Francisco; 1 Oakland)	3	2	-1	0
S-7	Complaint Clerk	2	1	-1	0
S-7	Occupational Nurse	1	1	0	0
S-5	Clerk (Tech Vault)	1	1	0	0
S-5	Radio Maintenance Technician	0	1	+1	0*
S-5	Clerk (Applicant Coorelating)	0	1	+1	0
S-4	Clerk (Auto)	0	0	0	1
B-12	Automotive Maintenance	1	1	0	0
B-5	Automotive Mechanic Helper	1	1	0	0
	TOTAL	19	18	-1	2
	AUTHORIZED COMPLEMENT	23	24	+1	

*When Radio Maintenance Technician GS-7 will be considered for 9, then Radio Maintenance Technician GS-5 will be considered for GS-7.

**New position of two Special Clerks established by Bulet, 8/11/70. Positions filled from approved complement. This explains increase of authorized complement by two, since last inspection.

***GS-9 Translator position has been abolished in the San Francisco Office.

VACANCIES

Vancancies are attributed to the following:

281.

CCO:

~~Bonnie Lowry~~, resigned file clerk GS 2
~~Susan Mariucci~~, resigned file supervisor GS 4
~~Flora M. Williams~~, resigned file clerk GS 2
~~Anthony Arcado~~, resigned file clerk GS 2
~~Cynthia L. Pittelkow~~, resigned crypto clerk GS 4
~~James E. Younger~~, transferred to Technical Squad, mail & file clerk GS
~~Deannis G. Glenn~~, transferred to Technical Squad, Communications OPr.
 (NCIC) GS 4
 Joy E. Johnson, resigned file clerk GS 3
 Laurie E. Levin, resigned photographer GS 4
 William E. Hughes, transferred to Training Division, New Agent's
 Class, Security Patrol Clerk GS 5

Steno:

Nancy Campos, resigned clerk steno GS 4

Technical Squad

Bureau authorized two incumbents for the position of Special Clerk GS 5, for the San Francisco Office. Dennis G. Glenn was trial assigned in one of these positions and prior to being promoted to Special Clerk GS 5, he was transferred to the Training Division, New Agent's Class; therefore vacancy still exists for one Special Clerk GS 5.

Eric Deiglemeier, resigned, auto clerk GS 4

RECAPITULATION

	Last Insp. <u>6/20/69</u>	This Insp. <u>10/16/70</u>	Increase or Decrease	Vacancies to be Filled
CASE LOAD	8766	9024	+258	
AUTHORIZED CLERICAL				
Chief Clerk's Office	82	82	0	
Steno Pool	63	63	0	
Clerks Not Available to CCO	23	24	+1	
TOTALS	168	169	+1	
ACTUAL CLERICAL				
Chief Clerk's Office	80	76	-4	10
Steno Pool	50	62	+12	1
Clerks Not Available to CCO	19	18	-1	2
TOTALS	149	156	+7	13

282.

	Last Insp. <u>6/20/69</u>	This Insp. <u>10/16/70</u>	Increase or Decrease	Vacancies to be <u>Filled</u>
TOTAL AGENTS (Excludes 19 DLI Agents)	229	256	+27	
CLERK-AGENT RATIO	73.4%	60.9%	-12.5%	
(With full authorized clerical staff, the Clerk-Agent Ratio would be):		66.0%		

NOTE: Per instructions of 1969 Inspection, DLI Agents excluded from Clerk-Agent ratio computations.

The complement of the Chief Clerk's Office has remained at 82 personnel since 1963. The caseload in the office during that time has increased from 5,312 cases to 9,024, for an increase of 69.9%. This increase in caseload has caused an increase in work in the Chief Clerk's Office and additional administrative procedures in the Chief Clerk's Office brought about by new programs, such as NCIC, New Left, bombing matters and racial matters, have attributed to increased work in the Chief Clerk's Office. There has been a measureable increase of reproduction of stenographic material which is handled by the Duplication Unit of the Chief Clerk's Office.

In line with economy measures, consolidation and file destruction, this office has remained constantly alert for streamlining procedures which would insure the clerical staff being kept to a minimum and still discharge our many responsibilities in an efficient manner. However, it is felt that an increase in the Chief Clerk's Office complement is necessary to efficiently handle the continuing responsibilities and increasing work load. In line with this, it is felt that the complement of 82 should be increased to 92. The over-all Agent-clerk ratio would be minimumly increased from 66% to 69.9% on the basis of a full authorized clerical complement.

If this increase of 10 clerks were authorized, their services would be immediately brought to bear by utilizing two in our indexing unit, one for closed and one for pending; three would be used on rotor units, noting there is a heavy increase in work in racial matters, New Left matters and on the civil rights rotor; four of these clerks would be utilized in closed files, primarily for indexing; and one would be utilized in consolidation, stripping and destroying files.

Due to streamlining procedures utilized, such as duplication of certain material from the stenographic pool, it is felt that the present complement of 63 stenographers and typists can handle the present work load. While this figure is adequate, it is in no way excessive.

The complement of clerks not available to the Chief Clerk's Office has increased from 22 to 24 from the last inspection. A review of these positions indicates each to be essential to the over-all discharge of our responsibilities in the technical field. The increase of two clerks was due to the authorization of two Special Clerk positions by Bureau letter dated 8/10/70. These positions are deemed essential. The personnel assigned are adequate and there is no excess.

ADDENDUM

INSPECTOR *J.* ARNOLD C. LARSON: At the time of the last Inspection 10/29/70 your clerical complement was fixed at 168. This would include 82 in the Chief Clerk's Office, 63 in the Steno Pool and 23 Clerks not available to the Chief Clerk's Office.

Since that date there has been an increase of one in the number of Clerks not available to the Chief Clerk's Office. This was due primarily to the increase in the Special Clerk Program.

It was noted that a request has been made for an additional 10 Clerks in the Chief Clerk's Office. This matter will be considered further at the Bureau and you will be advised of the results. It is noted, however, that you are 6 under your authorized complement in the Chief Clerk's Office. An analysis of your turnover of personnel in the Chief Clerk's Office during the past two years reflects that your complement has averaged 6 under authorized strength almost constantly. Every effort should be made to bring your complement up to strength.

It is agreed that the present stenographic complement of 63 is adequate but not excessive. Also, your complement of clerks not available to the Chief Clerk's Office (24) is adequate but not excessive. It should be noted, however, that elsewhere in the Inspection Report you have been encouraged to utilize the Special Clerk Program to its maximum to make Agents available for higher priority assignments. This should be done and it is believed that any clerks taken from the Chief Clerk's Office for this purpose should be replaced.

SAC note.

SAC GEBHARDT: Noted.
(10/29/70)

APPLICANT RECRUITMENT MATTERS

Rev. 10/14/70

APPLICANT RECRUITMENT MATTERS

7-A, B, C, D

[Signature]
INSPECTOR A. C. LARSON:

For the purposes of this inspection, you will be furnished a compilation of the total number by month applicants interviewed, favorably recommended and recruited by your office who have entered on duty at SOG since the last inspection. In order that the Inspector can evaluate your present program, you are requested to advise:

Clerical Recruiting

1. Which supervisory desk has the responsibility for clerical recruiting?
2. Identify your applicant coordinator and comment as to his present volume of work. Do you feel he should be continued, full time, in this capacity?
3. How many full-time Agents did you have assigned to clerical recruiting prior to 6/1/70. Where were they assigned? If assigned to a Resident Agency territory or road trip, identify each. Also advise where these men are presently assigned > and specifically comment as to their present duties.
4. Identify Agents by name and place of assignment (headquarters - Resident Agency) who were assigned on a part-time basis on applicant recruiting. What are their present duties?
5. In the likely event it becomes necessary to partially or fully reinstitute our clerical applicant recruitment program, how can this be done in a minimum amount of time in your office?
6. What arrangements have you made to maintain liaison contact with your most productive sources of highly qualified clerical applicants?

SAN FRANCISCO INSPECTION
7-A, B, C, D
10/16/70

286.

Field Clerical Eligibility List

1. Set forth number of stenographers, typists, and clerks currently being maintained on your eligibility list. (Bureau requires a minimum of 2 stenos, 2 typists and 1 clerk.)
2. Was each applicant on eligibility list contacted at least once every 60 days to determine if still available and interested? If not, explain and identify applicant and file number.
3. Identify those applicants by name and file number who have been appointed from your eligibility list since last inspection. If any were appointed out of order or passed over, identify by name and file number and advise whether the Bureau was notified.

Special Agents

There is an urgent need for highly qualified Agent applicants. The Bureau is particularly interested in obtaining accountant applicants and applicants from minority groups. Currently there is no quota on clerical applicants but each office is expected to produce one high-quality agent applicant per week (one for each New Agents Class).

Comments of SAC requested.

APPLICANT RECRUITMENT MATTERS

7-A,B,C,D

SAC ROBERT E. GEBHARDT
10/20/70

Clerical Recruiting

1. The ASAC has the responsibility for clerical recruiting.
2. The Applicant Coordinator is SA Harold W. Leggett, who handles the coordinating and recruiting of both clerical and Special Agent Applicants. It has proven to be a full-time job in an office the size of San Francisco. In view of the existing competition between Government pay scales and those of private industry, constant recruiting efforts are necessary to maintain the clerical complement of the office. He should be continued.
3. Prior to 6/1/70, San Francisco had assigned to clerical recruiting one Special Agent in Headquarters City plus the Applicant Coordinator. We also had one agent who spent approximately 50 per cent of his time recruiting, handling interviews and processing clerical Applicants. These agents are engaged in the same capacity of Applicant recruiting today.
4. The following agents all from Headquarters City were assigned on a part-time basis on Applicant Recruiting prior to 6/1/70:

Brent T. Palmer, whose present duties concern espionage matters. (Squad #8)

William R. tenBensel, whose present duties concern criminal matters. (Squad #2)

Joseph A. Dushek, who is presently assigned to the Santa Cruz RA. (Squad #9)

Francis T. Davis, who has since retired.

SAN FRANCISCO INSPECTION
10/20/70
7-A,B,C,D
HWL:st

5. To reinstitute our clerical Applicant Recruiting Program, should the necessity arise, we would recontact our many sources of clerical Applicants and make known to them that we are once again actively recruiting. This would include sources in not only Headquarters City but also in the RA territory. We would also consider utilizing Special Agents on a part-time basis, in both Headquarters City and RAs to meet the needs of the Bureau.
6. Public and parochial high schools are our most productive sources of qualified clerical Applicants.

Individual assignments have been made throughout the division designating an agent as a liaison representative with each public and parochial high school as well as business schools and colleges.

Also the Applicant Coordinator as well as other agents appear at high schools on a constant basis for career type speeches and serve on career day panels.

Field Clerical Eligibility List

1. Stenographers - 0 (Present need dictates requesting to hire prior to placing on eligibility list)

Typists - 2 (Requests to hire two have been sent to the Bureau)

Clerks - 6 (Requests to hire 5 have been sent to the Bureau)

2. Each Applicant on the eligibility list was contacted at least every 60 days.
3. The following Applicants have been appointed from our eligibility list since the last inspection:

289.

Belinda Carol Center 67-9683-4558
Michael Richard McGlennon 67-19777
Franklin K. Arthur, III 67-19889
Robert Alan Sutton 67-12797
Robert Allen Olson 67-20096
Karen Gladys Greenland 67-9683-4899
Bruce Alexander Burroughs 67-12797
Bernadette Elizabeth Pagan 67-20515
Carol Ann Bennefeld 67-20506
Ronald Lane Anderson 67-20485
Annette (NMN) Baer 67-20418
Katherine Ann Comisky 67-20706
Vivian Janet Lockett 67-20729
Cynthia Louise Terry 67-9683-4564
Denise Elaine Nelson 67-20462
Paula Kristine Villagran 67-20516
Darlene Ann Kelleghan 67-20468
Maura Jeanne McMahon 67-20566
Brenda Jean Crouch 67-20725
Denise E. Nelson 67-20607
Diane Elizabeth Parkey 67-20567
Phyllis A. Hochhalter 67-9683-5081 (request to hire
submitted 7/31)
Sandra Ann Figone 67-20674 (request to hire
submitted 9/22)
Teresa Ann O'Rourke 67-20751 (request to hire
submitted 9/1)
Kathleen May Kersten 67-12797-946 (request to hire
submitted 9/17)
Michael Albert Harvey 67-20787 (request to hire
submitted 9/29)

The following Applicants hired since the last inspection were passed over at least once, however, the Bureau was advised in each case:

Diane P. Parkey 67-20567
Katherine A. Comisky 67-20706
Denise E. Nelson 67-20462
Robert Alan Sutton 67-19427-904
Robert Allen Olson 67-20096
Michael R. McGlennon 67-19777

Special Agents

Since 9/23/70, when the Bureau made it known that there was an urgent need for qualified Special Agent Applicants, San Francisco has been contacting, interviewing and processing

same. We are constantly mindful of the Bureau's interest in obtaining accountant Applicants as well as Applicants from minority groups. We have experienced a great deal of interest from Applicants and feel that with continued recruiting efforts, we will be able to produce at least one high-quality agent Applicant per week.

ADDENDUM
10/23/70
BDW:kah

Set forth below is a schedule of clerical and Agent applicants who have entered on duty during the period June, 1969 until October, 1970, from the San Francisco Office:

MONTH	Clerks Entering On Duty	Agents Entering On Duty
June, 1969	0	0
July	1	1
August	0	2
September	0	1
October	0	2
November	1	1
December	0	0
January, 1970	1	1
February	4	0
March	3	1
April	1	2
May	1	1
June	8	1
July	3	0
August	2	-
September	1	-
October	1	3
TOTAL	27	16

San Francisco had a clerical applicant quota of 16 for the period July, 1969, through May, 1970 (at which time the quota was removed). During that period, 12 clerical employees entered on duty at the Seat of Government. Your quota was met or exceeded during 5 of the 11 months. It is to be noted, however, that since May, 1970, 15 additional clerical employees have entered on duty from San Francisco as a result of your recruiting efforts expended during the quota months.

Even though quotas have been removed, you should continue recommending highly qualified clerical applicants and should continue liaison with sources in the event it becomes necessary to reinstitute an aggressive clerical recruiting program on a very short notice.

Since June, 1969, 16 Special Agents have entered on duty from San Francisco. By teletype dated 9/23/70, you were advised that New Agents' Classes were being scheduled on a weekly basis beginning 10/5/70, and effective 10/14/70, each office was placed on a quota of one Special Agent per week. You are reminded that applicants who possess a four year resident college degree may be considered for the position of Special Agent provided they possess one year of executive, administrative or investigative type experience. Noncommissioned officers may be considered provided they have at least two years of military service. In addition, clerical employees who possess a four year resident college degree may be considered for the Special Agent position upon completion of one year of continuous Bureau service.

It is imperative that the Special Agent recruitment program be given top priority and every effort should be made to insure that there are a sufficient number of available applicants processed so that your quota of one Special Agent per week will be met without fail.

Comments of Applicant Coordinator Harold W. Leggett, ASAC and SAC requested.

HLW
~~SA HAROLD W. LEGGETT:~~
~~10/23/70~~

processed so that we will meet out quota of one Special Agent per week.

HLW
ASAC and SAC
10/23/70

I will continue to give this program top priority and make every effort to insure there are sufficient applicants

The above comments have been noted and this matter will receive top priority.

SUGGESTION MEMORANDA

SUGGESTION MEMORANDUM

DESIGNATION OF ROTOR
NUMBER ON FILE JACKET

INSPECTOR *Arnold* C. LARSON: During the inspection of the San Francisco Office, it has been observed that several pending files failed to contain the rotor or desk number on the file cover. In those instances where the rotor number has been placed on the file cover in ink, it is often small and hard to read.

To facilitate the routing of pending files by clerical employees to the eleven rotors throughout the San Francisco Office, it is suggested that the rotor number be placed on top of the file jacket with a large stamp. You should devise a system which would include maintaining a stamp on each rotor and at the time a new case is opened the rotor clerk should stamp on top of the file jacket the number of the rotor which handles the particular pending case.

The adoption of this system would allow not only employees of the CCO to more expeditiously route pending files but would also be of assistance to stenographic and other personnel when they are routing files to the various rotors throughout the office.

This procedure would specially aid in the routing of files where the classification is split between two desks such as the 42-classification.

Comments of Chief Clerk and SAC requested.

CHIEF CLERK SILVERIA:

10/23/70

Inspector's suggestion has merit and will be placed into effect immediately.

SAC GEBHARDT:

10/23/70

Noted. Will follow through to insure that Inspector's suggestion is carried out.

San Francisco Inspection

10/22/70

WLB/mer

WLB

293.

Pages 294 thru 302
relate solely to a
filings system matter and
~~to~~ criminal investigations

Remove 294 thru
302
(Save them)

CASE SUGGESTION WRITE-UP

JEREMIAH JOSEPH SULLIVAN, Jr.

SSN JFK Act 6 (3)

SELECTIVE SERVICE ACT

SF file 25-66962

Bufile 25-555242

OO: San Francisco

INSPECTOR ^{AL}ARNOLD C. LARSON: This is a pending case, opened on 3/16/67, assigned to SA GERARD JAMES NORTON of the Richmond, California, Resident Agency. It is supervised by SA RAY M. ANDRESS.

A review of this file reveals the Subject was declared delinquent by Local Board #30, Richmond, California, on 3/9/67, for failure to report for induction on 8/17/66. The whereabouts of the Subject have been unknown since 3/16/67, and considerable investigation has been conducted to locate him. Information was developed in March, 1970, that Subject was possibly in Canada and a friend of Subject's mother advised in September, 1970, that the Subject is in Canada, but that his mother does not have an address for him. The Subject is reported to telephone his mother on occasions. Other neighbors and police have reported Subject to be in Canada at the present time.

In view of the above, the following action should be promptly initiated in an effort to ascertain the location of the Subject:

1. Prepare a letterhead memorandum, in accordance with instructions set forth in the Manual of Rules and Regulations, Part II, Section 4, page 14 (2) (a) I and SAC letter #70-27, dated 5/19/70, in order that information regarding the Subject may be furnished to the Royal Canadian Mounted Police.

SAN FRANCISCO INSPECTION

10/20/70

ALA:lcj

ALA *lcj*

2. Place stop notices with the Immigration and Naturalization Service.

3. Place stop, under Subject's name, with the FBI Identification Division.

4. Place stop notices with the appropriate FBI Border Offices.

5. Check toll telephone calls on Subject's parents.

If the objective of this case is obtained, either directly or indirectly as a result of this suggestion memorandum, advise the Bureau by routing slip, attention: The Inspection Division.

Comments of SA GERARD JAMES NORTON, Supervisor RAY M. ANDRESS, and SAC requested.

SA GERARD JAMES NORTON: Inspector's comments are appreciated and recommendations will be done immediately.
10/22/70 *[Signature]*

SUPERVISOR RAY M. ANDRESS: This will be followed closely to insure that Inspector's suggestions are carried out.
[Signature]

SAC GEBHARDT: Inspector's comments appreciated. This will be done.
[Signature]

CASE SUGGESTION WRITE-UP

RAND N. DODD
SSAN 548 62 8438 A
ASN 28 189 434
FUGITIVE DESERTER
SF 42-44226
BU 42-284756
OO: SAN FRANCISCO

INSPECTOR *AL* ARNOLD C. LARSON: This is a pending case in the San Francisco Office which was opened in July 1969 and is presently assigned to SA JEAN G. HUGHES. It is supervised by SA H. ERNEST WOODYBY.

Extended investigation has been conducted since inception of this case in the neighborhood of Subject's parents, 1132 South Sage Court, Sunnyvale, California. When case was initiated, it was determined Subject's family had moved from 870 El Camino, Mountain View, California, the address shown on Subject's DD 553 in 12/68 which was prior to Subject's reported absence from the military in 4/69. Subject's parents have appeared to be cooperative and although present neighbors of Subject's parents are not well acquainted with the Subject, they are cooperative and a neighborhood source has been established.

Subject entered military service in 9/66 at San Jose, California, at which time he was approximately 20 years of age. Since initiation of this investigation, additional past residences have been developed for Subject's parents at 278 Lassen Avenue, Mountain View, California in 9/63; 620 East Mauded Avenue, Sunnyvale, California in 7/68 and 1390 Latham Street, Mountain View, in 7/68. A neighbor has indicated Subject may have a brother but could furnish no specific information concerning his identity. Attempts to establish residence at the Latham Street address have been negative. Mail returned to the U.S. Army addressed to the Latham Street address indicated a possible residence of Apartment 101, 1617 Pine Street, San Francisco, California. Investigation has also indicated past employment for the Subject at Channing House, Palo Alto, California, for a period not stated.

In view of the fact Subject had already entered military service before his parents moved to their current address, it is suggested investigation be concentrated in

San Francisco Inspection
10/22/70
LSM/jb

the following areas to develop background and associates of Subject which may be of assistance in determining his present whereabouts and causing his apprehension:

1. Re-interview parents specifically concerning the identity of any possible brothers or sisters or other close relatives Subject might logically contact.
2. Conduct in depth investigation in areas of family's former residences, correlating this inquiry with results of re-interview of parents, to develop former employments or associates of Subject who may be able to furnish information concerning his present whereabouts.
3. Conduct inquiry at Pine Street address in San Francisco to develop background information of possible assistance in this investigation.
4. Check records at Channing House, Palo Alto, to determine if Subject formerly employed there and for possible leads to associates of Subject, such as listed references or indicated residences.
5. Conduct appropriate credit and criminal checks at Palo Alto and San Francisco.
6. Inasmuch as Subject has been absent for a period in excess of one year, consideration should be given to contacting Baltimore Source 4 should the above leads be unproductive.

If the objective of this case is achieved, either directly or indirectly as a result of this suggestion memorandum, advise the Bureau immediately by routing slip, attention Inspection Division.

Comments of SA JEAN G. HUGHES, Supervisor H. ERNEST WOODBY and SAC requested.

SA JEAN G. HUGHES: The above points have been noted and the
(10/23/70) investigation will be conducted.

SUPERVISOR H. ERNEST WOODBY: The suggestions of the Inspector
(10/23/70) are appreciated and immediate
steps will be taken to carry them out.

SAC ROBERT E. GEBHARDT I concur with the Inspector's comments.
(10/23/70)

CASE SUGGESTION WRITE-UP

LEE EDWARD BECKHUSEN
SSAN 565-86-4805A
ASN US 56843058
FUGITIVE DESERTER
SF File 42-44534
Bufile 42-279118

INSPECTOR *Arnold* ARNOLD C. LARSON: This is a pending case, San Francisco origin, which was opened 8/4/69. The case had been assigned to SA STEVEN R. BROWN since 3/27/70, and is supervised on the desk of SA H. ERNEST WOODYBY.

Subject declared deserter by U.S. Army 2/9/69. On 9/18/69, his mother, MARY BECKHUSEN, advised that the Subject lived with her until June, 1969, and since that time, had stayed with different friends in the Oakland-Berkeley area. Mrs. BECKHUSEN provided a list of other relatives of the Subject. She stated that she had seen the Subject approximately three weeks prior to that date.

On 11/18/69, Mrs. BECKHUSEN advised that she had not seen her son for several months and that he had called her from Death Valley, California, approximately one month prior to that date.

It is suggested that the following investigation be considered at this time:

1. Conduct thorough neighborhood investigation in vicinity of Subject's residence, 949 Madison Street, Albany, California.
2. Attempt to establish reliable neighborhood source who will report the Subject's presence in the event he is staying at or returns to his home address.
3. Interview Subject's brother, LYNN BECKHUSEN, and attempt to determine identity of friends in Oakland-Berkeley area.

San Francisco Inspection
10/23/70
BDW/11a

299.

4. Interview Subject's brother, LAWREN BECKHUSEN, who resides on Fairview Street, Oakland.

5. Consider contacting Baltimore CS-4 for information regarding the Subject's employment.

These leads should not be considered all inclusive and case agent should conduct a thorough file review to insure that all logical investigation is being conducted in an effort to locate the Subject.

If the objective of the case is attained, either directly or indirectly as a result of this suggestion memorandum, advise the Bureau immediately by routing slip, attention: Inspection Division.

Comments of SA STEVEN R. BROWN, Supervisor H. ERNEST WOODY and SAC requested.

SRB
SA STEVEN R. BROWN: The above points have been noted and this, as well as other logical investigation will be conducted.
10/24/70

HW
Supervisor H. ERNEST WOODY: The suggestions of the Inspector are appreciated and immediate steps will be taken to carry them out.
10/24/70

RG
SAC ROBERT E. GEBHARDT: I concur with the Inspector's comments.
10/24/70

SUGGESTION MEMORANDUM

BOND DEFAULT MATTERS

AW
INSPECTOR ARNOLD C. LARSON: As of 10/1/70, the San Francisco Office had 48 bond default matters under investigation. This volume of cases presents a fertile field for increased convictions under the Bond Default classification.

An in depth survey conducted by the Inspection Division disclosed that there has been a significant increase in cases received by the FBI for investigation subsequent to the passage of the Bail Reform Act of 1966. This Act liberalized bail and bond procedures in Federal cases whereby subjects were to be considered for release on their own personal recognizance or unsecured appearance bond in contrast to previous procedures which required a specific bond, creating an excellent opportunity for us to achieve statistical accomplishments. The ratio of convictions to the number of cases investigated in bond default matters is one of the highest of any violation handled by the Bureau.

One of our offices, namely San Diego, has been responsible for the most significant portion of the Bureau's convictions in bond default matters as a result of effective liaison with the U. S. Attorney, who felt that an indictment obtained under bond default was more easily proven than the substantive offense. When a subject is apprehended, the sentence is, in part, influenced by the U. S. Attorney, who informs the court the length of time the subject's apprehension has been sought by the Bureau. A number of these cases have arisen through charges of narcotics and smuggling of merchandise and aliens across the border. Subjects were brought before a magistrate, and rather than pleading guilty, subjects obtained a court appointed attorney and entered a not guilty plea. They were released then on either personal recognizance or a minimum bond until their scheduled appearance. When the subject failed to appear in court, a bench warrant was issued, San Diego opened a case, and usually within 30 days an indictment was secured under bond default.

SAN FRANCISCO INSPECTION

10/23/70

WAK:kah


Although San Francisco is not a border office, it is a great port of entry, both by sea and air, and many of the same type cases utilized by San Diego for obtaining a bond default indictment should be available to San Francisco.


As you are aware, convictions are becoming more difficult to obtain because of the court's interpretation of the law in many classifications. Bond default matters present an excellent opportunity to increase your conviction rate, therefore, it is suggested that through your liaison with the U. S. Attorney, point out to him the possibilities for an increase in convictions under the Bond Default Statute.

The necessity to establish effective liaison with the U. S. Attorney in bond default matters was set out in SAC Letter 70-13 dated 3/17/70.

If an increase in cases and convictions is obtained as a result of this Suggestion Memorandum, advise the Bureau by routing slip, attention Inspection Division.

Comments of Supervisor DE JEAN and SAC GEBHARDT requested.


SUPERVISOR MORRIS M. DE JEAN: Close liaison will continue to be maintained with the United States Attorney's office and all avenues of potential convictions will be vigorously pursued to increase the statistical accomplishments in the San Francisco Division.
10/26/70


SAC GEBHARDT:
10/26/70

This matter will be followed and the Inspection Division will be advised if an increase in cases and convictions is obtained.

CASE SUGGESTION WRITE-UP

UNSUB;
BOMBING OF COURTROOM
NUMBER FOUR, SUPERIOR COURT,
CIVIC CENTER, SAN RAFAEL,
MARIN COUNTY, CALIFORNIA
10/8/70
BOMBING MATTER
SF 174-254
OO: SAN FRANCISCO

INSPECTOR *Arnold* ARNOLD C. LARSON: This pending case was opened
on 10/8/70 assigned to SA
CORNELIUS M. SULLIVAN and supervised by SA DAVID E. TODD,
Desk #9.

On 10/8/70, 1:30 A.M., a bomb which had been placed in the women's restroom adjacent to a courtroom in the Marin County Civic Center exploded, causing damage in excess of \$150,000 to the restroom, courtroom #4, and the surrounding area. This bombing appeared to coincide with bombings occurring in the ROTC Building at the University of Washington in Seattle and the National Guard Armory at Santa Barbara. These bombings came two days after BERNARDINE DOHRN, speaking for the Weatherman organization, warned of a "fall offensive" by that organization.

A member of the night maintenance crew at the Civic Center advised he noted a white male in his early twenties, clean cut, normal dress in the area at 10:20 P.M. He also noted a white female in early twenties in the area on three occasions between 7:30 P.M. and 10:30 P.M.

This case received wide-spread publicity because it followed the recent kidnap and murder of Judge HALEY at the same Marin County Civic Center. President NIXON commented on these bombings at a news conference, indicating his interest in the matter.

On 9/22/70, during the course of the inspection of the Sacramento Office, it was recalled that Sacramento Potential Security Informant (PSI) ALLEN EARL THOMA furnished information on

San Francisco Inspection
10/27/70
RJP/jb

303.

JERI WILLIAM DOEDEN, SM - ANA, San Francisco file 100-65210, regarding a contact THOMA had with DOEDEN in San Francisco on 8/26-27/70. According to THOMA, he visited DOEDEN at the "Little Red Book Store", 3191 Mission Street, San Francisco, California and related that two individuals were staying at this store, one being a white male, known only as "BUD", approximately 30 years old who allegedly was a Weatherman "warchief" from Milwaukee, Wisconsin. Another individual THOMA spoke to was one "CRAZY" AMES. During his discussion, "BUD" related the target for destruction in San Francisco would be the "Hall of Injustice" which they hoped to destroy sometime within the next three months. They claimed to know a maintenance man at the Hall of Justice "who wears all the protest buttons" who may be of some help. THOMA was asked by DOEDEN and his associates to obtain a case of dynamite if possible.

In discussing captioned case with Supervisor TODD, the information reported by Sacramento PSI ALLEN EARL THOMAS was brought to his attention. In addition, it is noted that the San Francisco file on DOEDEN reflects numerous acquaintances and/or associates of DOEDEN whose activities appear to fall within the "extremist" category.

In view of the comments by "BUD" relating to the destruction of the Hall of Justice in San Francisco within the next three months, while the captioned bombing did not take place in San Francisco, however, in close proximity to the same, it is felt that DOEDEN, "BUD" and "CRAZY" AMES and possible associates of these individuals should be considered as suspects in captioned bombing. Accordingly, a thorough review should be made of San Francisco file 100-65210 and conduct such appropriate and logical investigation as indicated.

If the objectives of the case are attained either directly or indirectly as a result of this suggestion memorandum, advise the Bureau immediately by routing slip Attention: Inspection Division.

Comments of SA CORNELIUS M. SULLIVAN, Supervisor DAVID E. TODD and SAC requested.

3304.

SA CORNELIUS M. SULLIVAN:

Investigation along the lines suggested by the Inspector will be initiated immediately and if results are attained the Inspection Division will be advised by routing slip as directed.

SUPERVISOR DAVID E. TODD:

This phase of the investigation will be handled immediately and supervised closely. The suggestions and observations of the Inspector in this regard are appreciated.

SAC ROBERT E. GEBHARDT

Noted.

SUBSTANTIVE WRITE-UPS

PAGES 306 thru 318
relate to CRIMINAL
investigations.

Remove
label +
save

SUBSTANTIVE CASE WRITE-UP

UNKNOWN SUBJECT; Theft of
8 Goodyear Double Eagle
Tires from Lee Way Truck-
ing Company, San Leandro,
6/22/70

THEFT FROM INTERSTATE
SHIPMENT

OO: SF
SF File 15-11825

Inspector *Arnold* ARNOLD C. LARSON: This is a pending origin case, opened 7/8/70, assigned to SA SAMUEL A. MILLER, Hayward, California, Resident Agency, and supervised by SA GLENN A. HARTER. By memorandum dated 7/7/70, SA MILLER advised he had received information from PAUL A. FOX, Terminal Manager, Lee Way Trucking Company, Doolittle Boulevard, San Leandro, California, that the above-mentioned tires were missing from the company and were presumed to be stolen. Accompanying the memorandum was an FD-302 showing interview with FOX and the memorandum contained three (3) leads for additional investigation. As of 10/27/70, there was no additional information in the file to indicate that investigation had been conducted.

EXPLANATIONS REQUESTED

1. SA SAMUEL A. MILLER is requested to explain the delayed investigation and/or reporting in this matter; specifically, why he failed to cover the three (3) leads set forth in the memorandum reporting this possible theft.

2. Supervisor GLENN A. HARTER is requested to explain why, in his overall supervision of this case, he failed to detect the delayed investigation on the part of SA MILLER.

Comments of SAC requested.

SAN FRANCISCO INSPECTION
10/27/70
ALA:rv

ALA

306.

See
SA SAMUEL A. MILLER:

The Inspector has requested my explanation as to why there was a delayed investigation and/or reporting in this matter. I am sorry it was necessary for the Inspector to call this to my attention. My investigation failed to identify the subject, and I have not yet dictated a closing memorandum. In the future I will dictate more promptly.

SA SUPERVISOR GLENN A. HARTER: SA MILLER is a very thorough and experienced all-around, excellent agent, who has done a very good job in obtaining statistical accomplishments for this office in criminal matters. I have specifically discussed this case with him, and he was aware of the fact that it was delinquent. It should be noted that during the last month and a half, a majority of SA MILLER's time has been taken up with the investigation of two bank robberies and leads in two civil rights cases, all of which were treated as specials, and these factors are, in part, responsible for this delinquency. It is regrettable that it was necessary for the Inspector to bring this delinquency to the attention of the office, and steps will be taken to insure that it will not happen again.

SAC ROBERT E. GEBHARDT

I have urged the need for prompt investigation, which did take place in this case. I have also stressed to SA MILLER and Supervisor HARTER the need for prompt reporting.

Arnold
INSPECTOR ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.

SUBSTANTIVE ERROR WRITE-UP

ROGER WILLIAM EPPERLEY

SSN JFK Act 6 (3)

SELECTIVE SERVICE ACT

OO: San Francisco

San Francisco File 25-77034

INSPECTOR *Arnold* ARNOLD C. LARSON: This is a closed case which was opened in the San Francisco Office 4/21/70, and closed 6/15/70. At that time, case was assigned to SA ROBERT M. LEONARD and supervised by SA RAY M. ANDRESS. The case was reopened 8/26/70, and assigned to SA RICHARD G. MILLER and supervised by Relief Supervisor RICHARD E. LUEBBEN on the desk of SA ANDRESS. Case was again closed 9/3/70.

The case was initially opened on the basis of a copy of a letter directed to Local Board 4, Eureka, California, from the Armed Forces Examining and Entrance Station, Oakland. The letter indicated that the Subject reported for induction 4/14/70, was found qualified, but left the building prior to induction. Case was closed 6/15/70, on basis of a memorandum from SA ROBERT M. LEONARD wherein it was pointed out that the violation was not such as to be reported to the U. S. Attorney by the Selective Service System.

Case was reopened 8/26/70, on receipt of a request for investigation from the U. S. Attorney, San Francisco, and assigned to SA RICHARD G. MILLER. Review of the file indicates that Subject was interviewed by SA MILLER 9/1/70, at which time he indicated he would agree to induction.

U. S. Attorney declined prosecution and a closing report was submitted 9/3/70, with copy to U. S. Attorney and San Francisco Office. This report was signed by SA RICHARD E. LUEBBEN. This report contains FD 302 (interview report form) wherein interview of Subject was recorded. The FD 302 fails to indicate that the Subject was advised of the identity of SA MILLER or the nature of the inquiry.

SAN FRANCISCO INSPECTION

10/26/70

BDW:sad

Agents' handbook, Part II, Page 12 and 12B, instructs that at the beginning of an interview with any known Subject of a Bureau case the Subject be advised of the name and official identify of the interviewing agent and the nature of the inquiry. The fact that the Subject was so advised is to be recorded in the opening paragraph of the FD 302.

EXPLANATIONS REQUESTED:

SA MILLER is requested to explain his failure to advise the Subject of his name and official identity and the nature of the inquiry and to record on FD 302 that this was done.

Relief Supervisor LUEBBEN is requested to explain his failure to detect this delinquency at the time he approved the report on 9/3/70.

Comments of SA ANDRESS and SAC requested.

SA RICHARD GUY MILLER: At the beginning of the interview at the 10/27/70 *RM* Humboldt County Jail, Eureka, California, I exhibited my FBI credentials to the subject and advised him of the nature of the inquiry. I apparently inadvertently failed to record this in the opening paragraph of the FD 302 and on review of this FD 302 I inadvertently failed to note this had been omitted from the FD 302. Care will be exercised in the future to insure this does not reoccur.

SA RICHARD E. LUEBBEN: I was Relief Supervisor on Desk #6 in the 10/27/70 *REL* absence of the regular supervisor and due to the exceptionally high volume of mail handled by this desk I inadvertently failed to note the above omission from FD 302 of SA MILLER dated 9/1/70 when the report was signed out by me. Every effort will be made in the future to avoid a repetition of this delinquency.

SA RAYMOND M. ANDRESS: In reference to the report of SA RICHARD GUY 10/27/70 *RM* MILLER signed out by SA LUEBBEN on 9/3/70, SA LUEBBEN was one of the Relief Supervisors during my extended sick leave during this period. SA LUEBBEN is an experienced Relief Supervisor and supervises the desk in a very efficient and commendable manner. Due to the exceptionally heavy volume of mail during this time, he inadvertently overlooked the omission in the FD 302 of SA MILLER. The importance of advising Bureau subjects the identity of Agents and nature of interview will be discussed with the Relief Supervisors periodically and will be followed closely to insure this does not reoccur.

- 3 -

MM
SAC GEBHARDT: Above delinquencies noted and will be followed
10/27/70 closely to insure this does not occur again.

INSPECTOR *Arnold* ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.

SUBSTANTIVE ERROR WRITE-UP

WILLIAM JOSEPH LAPUZZA, AKA.
NSN B 61 78 34
FUDE
OO: OMAHA
OM 42-8670
SF 42-44333
BU 42-285245

INSPECTOR *Arnold* C. LARSON: This is a pending case in the San Francisco Office opened on 7/24/69, assigned to SA JEAN G. HUGHES and reassigned on 12/8/69, to SA KENNETH W. SHEETS. Case is supervised by SA ROBERT D. ROBY.

Review of the file indicates the Subject together with two other Navy deserters had lived in a hippie commune in the San Jose area during August of 1969. Investigation has determined that he has used narcotics and has associated with hippie-type individuals until the present time.

During 8/70, investigation was conducted in San Jose and investigation determined that one JOAN BAUER was also residing in a hippie fashion and was acquainted with the Subject of this investigation as well as the other two Navy deserters.

On 8/13/70, JOAN C. BAUER was interviewed at which time she stated she is employed at National Aeronautics Space Agency (NASA), Ames Research Center, as a secretary at Moffett Field, a Navy installation. During the course of this interview, she stated she was living with a male individual in a common-law relationship. She had formerly considered herself a member of a "family" of hippies including the Subject and another Navy deserter. At the time of interview she advised that the members of this hippie "family" received mail at her address and the reason for maintaining the address is to receive food stamps for this hippie "family" living in a commune style. She stated she occasionally picks up their mail at her home and admitted on occasion taking the mail to them when she visits the "family". This interview was conducted at Moffett Field. The information concerning BAUER was orally disseminated to the Security Officer, NASA, Ames Research Center, on 8/13/70.

San Francisco Inspection
10/23/70
JHO/11a

The Manual of Rules and Regulations, Part 2, Section 5, Page 7, indicates that Bureau policy under Executive Order 10450 is to furnish the Civil Service Commission all pertinent identifiable, derogatory non-subversive information relative to employees of the Executive Branch of the government. This is normally accomplished by including such information in letterhead memorandum form and transmitting same to the Bureau for appropriate dissemination.

INSTRUCTIONS

Immediately handle this matter in accordance with Bureau instructions cited above.

EXPLANATIONS REQUESTED

1. SA KENNETH W. SHEETS is requested to explain why he neglected to forward to the Bureau in letterhead memorandum form the information developed concerning JOAN C. BAUER, as required by existing Bureau instructions.

2. Supervisor ROBERT D. ROBY is requested to explain why, in his over-all supervision of this case, he did not detect this error as set out above.

Comments of SAC requested.

W.S.
SA SHEETS:

JOAN C. BAUER advised at the outset of the interview on 8/13/70 that she could consider herself a member of the communal "family", however, this became a matter of interpretation during the course of interview and eventually she denied she was a member of the "family" or commune. She admitted visiting people connected with the commune and associating with them, even to the extent of allowing some of these individuals to use her address for the purpose of receiving mail and food stamps.

This matter was discussed at length with Security Officer RALPH MAINES and JOHN VAN ETEN, Head of Security at NASA, Moffett Field, California. They made no statement as to what action they intended to take.

I realize now that I should have also prepared a letterhead memorandum for dissemination to NASA Headquarters in Washington, D.C. I regret not having done so and in the future will insure that such matters are promptly disseminated.

SUPERVISOR *RDR* ROBERT D. ROBY:

On 9/30/70 I approved a communication prepared by

SA SHEETS to office of origin incorporating interview of JOAN C. BAUER, referred to above. At the time, my primary attention was directed toward information furnished in the substantive fugitive investigation and I failed to consider the nature of BAUER's employment. I agree that the information pointed out by the Inspector should have been furnished to the Bureau in letterhead memorandum form for dissemination at the Seat of Government. Letterhead memorandum has now been prepared and forwarded to the Bureau. I regret my oversight in this instance and will be alert for similar situations in the future to insure that all data which should be disseminated by letterhead memorandum is promptly submitted.

SAC GEBHARDT *MS*

Letterhead memorandum should have been prepared

at the time of the initial interview with JOAN C. BAUER. I will continue to emphasize the necessity of prompt dissemination of information obtained during our investigations which may be of interest to other governmental agencies.

INSPECTOR *Arnold C. Larson* ARNOLD C. LARSON: There is no Seat of Government culpability in this matter as this error or delinquency could only be detected through a review of the field office file.

SUBSTANTIVE ERROR WRITE-UP

GARY EUGENE LEGO
INTERSTATE TRANSPORTATION
OF STOLEN PROPERTY
OO: SAN FRANCISCO
SF 87-31544
BU 87-110860

INSPECTOR *Jan* ARNOLD C. LARSON: This case was opened on 4/30/70
and assigned to SA FREDERICK A.
GROS. The case was supervised on the desk of SA GLENN A. HARTER
and was closed on 7/27/70.

By letter dated 4/27/70, United Airlines Collection
Manager, RICHARD H. GEIMER, San Francisco, made available the
original of three fraudulent checks payable to United Airlines
on the account of KENDALL H. LUTES, Plandome, New York. Two
checks were for \$50 and one was for \$25. UAL advised they
were forgeries.

GARY EUGENE LEGO was subsequently developed as the
Subject when arrested on 5/8/70 at Newark Airport, Newark,
New Jersey for false pretense and possession of stolen
property. When arrested he was attempting to purchase an
airline ticket with credit card of K. H. LUTES. An NCIC
check revealed he was wanted by Lancaster County Sheriff's
Office, Lincoln, Nebraska. He was released on 5/11/70 on
\$500 bond but failed to appear for a hearing on 5/20/70.

LEGO was subsequently arrested on 6/19/70 in
Minneapolis by local police while in a stolen car. Local
authorities held numerous warrants for LEGO and indicated
that they were going to prosecute him. The United States
Attorney's Office in Minneapolis declined prosecution on
6/22/70 and on 7/16/70, AUSA, San Francisco, also declined
prosecution in view of LEGO's incarceration on local charges
by Minneapolis authorities, and in view of the small amount
of checks passed in the San Francisco area. The case was
subsequently closed on 7/27/70.

The original checks received from United Airlines
on 4/27/70 have not been returned to the contributor, it
being noted the 1-A envelope containing the 3 checks indicates
they were to be returned. It is further noted that the 3

San Francisco Inspection
10/27/70
JMM/jb

checks in question were not submitted to the FBI Laboratory for inclusion in the National Fraudulent Stolen Check File.

According to Part I, page 4 of the FBI Handbook all documentary evidence shall be promptly returned to the persons to whom it belongs upon conclusion of the case.

The file fails to reveal that the local San Francisco police authorities were informed as to the check-passing activities of GARY EUGENE LEGO in their jurisdiction and that he had been identified as the alleged passer of the 3 fraudulent checks cashed at UAL in San Francisco.

EXPLANATIONS REQUESTED:

OF SA FREDERICK A. GROS

Why he failed to submit the 3 original checks in this case to the FBI Laboratory for inclusion in the National Fraudulent Stolen Check File and why the 3 checks were not returned to the contributor, United Airlines, San Francisco, California, when the case was closed upon the declination of the USA's Office on 7/27/70.

Why he failed to contact the San Francisco police authorities for the purpose of disseminating appropriate information to them concerning this case for whatever action deemed necessary.

OF SUPERVISOR GLENN A. HARTER

Why he failed to detect the delinquencies concerning the submission of the 3 checks to the FBI Laboratory for inclusion in the National Fraudulent Stolen Check File, the return of the original checks to the contributor in connection with his over-all supervision of this case and the dissemination of pertinent information in this case to appropriate police authorities for any action they deemed necessary.

~~SA~~ SA FREDERICK A. GROS: I neglected to send these checks to the Laboratory when I first received them. Later after the Subject was arrested, I did not feel that it was necessary, since he had been identified and also since the USA had declined prosecution in this case. In the future I will submit these checks when I get them, and I am sorry this oversight took place and will correct it in the future. I regret not returning the checks and will in the future return all checks upon completion of the case.

~~SI~~ SUPERVISOR GLENN A. HARTER: I failed to detect that this delinquency existed, and in the future, will exercise more care after a case has been closed to insure that evidence is not retained in the file.

~~MAA~~ SAC ROBERT E. GEBHARDT: I have instructed the agents to take care in insuring that evidence is promptly returned after the completion of investigation or the declination by the USA.

Arnold C. Larson
INSPECTOR ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.

316 A.

SUBSTANTIVE ERROR WRITE-UP

JIMMY LA VERNE BUSHBAUM,
ALSO KNOWN AS
JAMES L. BUSHBAUM - FUGITIVE
UFAC - MURDER
OO: LOS ANGELES
SF 88-9478
LA 88-11640
BU 88-35799

INSPECTOR *Arnold* C. LARSON: This case was opened in 9/65 with San Francisco as Office of Origin. Bureau changed Office of Origin to Los Angeles 7/19/66. Case has been opened periodically in San Francisco Division to cover leads. Case reopened 5/4/70 and assigned to SA DOUGLAS R. AHLSTROM. Case is supervised by SA BRYON C. WHEELER. Case was closed (RUC) on 10/15/70.

Subject escaped from custody at San Quentin Prison 9/16/65. Authorized complaint filed 10/21/65 before U.S. Commissioner, San Francisco, California. Bureau changed Office of Origin to Los Angeles because Subject's relatives and friends live in the Los Angeles area and all logical leads had been covered in the San Francisco Division.

Los Angeles by letter dated 4/24/70 requested the San Francisco Office to identify the holders of two telephone numbers concerning long-distance telephone calls from home telephone of Mrs. MARLYS CONNOLLY, Rialto, California. San Francisco by letter dated 6/30/70 identified one telephone number registered to the Subject's sister, Mrs. MELVIN GLAZE of Point Arena and subsequent contact with Mrs. GLAZE failed to develop any information concerning the Subject. No investigation was conducted to identify holder of telephone number 933-8871 at Walnut Creek, California between 5/4/70 (date case reopened) and 10/15/70 (date case RUCed).

INSTRUCTION:

Immediately reopen this case and conduct logical investigation requested in Los Angeles letter dated 4/24/70.

San Francisco Inspection
10/26/70
WAK/jb

WAK

EXPLANATIONS REQUESTED:

SA DOUGLAS R. AHLSTROM is requested to explain why he failed to detect the lead at Walnut Creek had not been covered before the case was closed on 10/15/70.

Field Supervisor BRYON C. WHEELER is requested to explain why he failed to assign a lead to a Walnut Creek Resident Agent to conduct an investigation to identify the holder of the telephone number and why he failed to insure that this investigation had been conducted before he approved the closing of this case (San Francisco letter to Los Angeles dated 10/15/70).

Comments of SAC requested.

SA DOUGLAS R. AHLSTROM: The writer was of the impression that the lead at Walnut Creek to identify a telephone subscriber had been covered and reported at the time the case was RUC'd on 10/15/70. The writer did not have the file available as the RUC communication was submitted from the Santa Rosa Residence Agency and was therefore unable to make a thorough review of the file. Steps will be taken to make certain this does not recur in the future.

SUPERVISOR BRYON C. WHEELER: The lead to check out a telephone number at Walnut Creek was inadvertently overlooked at the time the case was reopened and assigned to SA AHLSTROM. Upon receipt of the RUC communication closing the case on 10/15/70, the fact that the Walnut Creek lead had not been covered was overlooked. Efforts will be made to make certain this does not recur in the future. Case reopened.

SAC ROBERT E. GEBHARDT: The above write-up and explanations have been noted. It will be stressed among Special Agent and Supervisory personnel in this office the importance of guarding against a situation of this kind happening in the future.

Arnold
INSPECTOR ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.

SUBSTANTIVE CASE WRITE-UP

TERRY LANCEN
SECURITY MATTER - PROGRESSIVE LABOR
PARTY (PLP)
SF FILE: 100-0

INSPECTOR *W* ARNOLD C. LARSON:

San Francisco file
100-0-105220 is a

memorandum, dated October 13, 1970, to the SAC, SAN FRANCISCO from SA RICHARD G. ALLEN, assigned to the Oakland Resident Agency. The memorandum is captioned PROGRESSIVE LABOR PARTY, SM-PLP. Although SA ALLEN did not designate a specific file number, he did indicate that a copy of the memorandum should be disseminated to a 100 case file for LANCEN. The memorandum was initialed for the file by Relief Supervisor ZAVEN JARDARIAN.

This memorandum contains information from a Potential Security Informant (PSI) with regard to the Progressive Labor Party and a demonstration under the sponsorship of that organization. The demonstration was led by KENNETH ALLEN EPSTEIN, Security Index subject and one of two leaders of the Progressive Labor Party Student Faction. The PSI indicated that EPSTEIN was assisted by CARLA NATASHA ROEMER, Security Index subject, and TERRY LANCEN. The PSI further indicated that LANCEN had been expelled from the University of California at Berkeley and was then residing at 840-47th Street (Oakland, California). The memorandum indicated that the office indices were negative with regard to LANCEN and no additional action has been taken with regard to this information.

REQUEST FOR EXPLANATION

Relief Supervisor ZAVEN JARDARIAN is requested to explain why he did not open a case in order to at least identify LANCEN in accordance with existing Bureau instructions. The Manual of Instructions, Section 87D, Page 19, indicates that where there is doubt as to whether an investigation should be conducted with regard to individuals who possess revolutionary beliefs, it should be resolved in the interest of security and investigation conducted.

Comments of SAC requested.

SAN FRANCISCO INSPECTION

10/26/70

ALA:dp

SA ZAVEN JARDARIAN: In the future in a case such as 100-0-105220 regarding TERRY LANCEN, any doubt as to whether or not an investigation should be conducted will be resolved in the interests of security and investigation will be conducted.

SAC GEBHARDT: The remarks of the inspector are noted and I concur that investigation should be initiated on individuals who possess revolutionary beliefs.

Arnold C. Larson
INSPECTOR ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.

SUBSTANTIVE ERROR WRITE-UP

DAVID CHARLES LIPPMAN

SECURITY MATTER - SDS (EXTREMIST)

OO: SF

SF File 100-66184

Bufile 100-458145

[Handwritten signature]
INSPECTOR ARNOLD C. LARSON: This is a pending case assigned to SA JOHN A. GARRETT, Oakland Resident Agency, and supervised by SA ROBERT S. BERRYMAN until 6/15/70, when case assigned to desk of Supervisor ALBERT G. HIGGINS.

DAVID CHARLES LIPPMAN was arrested on 4/15/70 by the Berkeley, California Police Department following a rally at the University of California at Berkeley when demonstrators were attempting to attack a campus building which housed the Naval ROTC. LIPPMAN was interviewed by SAs GARRETT and DONALD L. COFFIN (since retired) in the Berkeley, California City Jail on 4/16/70. The FD-302 submitted by SAs GARRETT and COFFIN indicated that LIPPMAN was contacted and advised he did not want to make any statement to the FBI without consulting his attorney. In an airtel dated 4/17/70, submitted by San Francisco to the Bureau, it was further disclosed that LIPPMAN refused to sign a Waiver of Rights Form (FD-395).

The San Francisco file does not contain a Waiver of Rights Form for LIPPMAN, nor an interview log.

FBI Handbook, Part II, Page 12b instructs that persons interviewed under local arrest on local charges for possible Federal violation must be warned of his rights and that the opening paragraph of the FD-302 reporting the interview of Subject must contain the fact that the Subject was advised of the identity of the interviewing Agents and the nature of the inquiry. Further, the original FD-395 (signed or unsigned) must be filed in the 1-A exhibit envelope of the case file. FBI Handbook, Part II, Page 13a instructs that a handwritten log shall be maintained on all interviews in which the warning and waiver form is required.

San Francisco Inspection
10/23/70
WLB/mer
[Handwritten initials]

EXPLANATIONS REQUESTED

SA JOHN A. GARRETT is requested to explain why he neglected to place the FD-395 (warning and waiver form) in the case file; failed to prepare a proper interview log regarding interview with Subject on 4/16/70; and why the opening paragraph in the FD-302 failed to contain the fact that the Subject was advised of the identity of the interviewing Agents, as required by current Bureau instructions.

Supervisor ROBERT S. BERRYMAN is requested to explain why he failed to detect the above delinquencies in his supervision of the case.

Supervisor ALBERT G. HIGGINS is requested to explain why he failed to detect the above delinquencies in his supervision of this case.

Comments of SAC requested.

JAG
SA JOHN A. GARRETT:

SA DONALD L. COFFIN and I attempted to interview DAVID CHARLES LIPPMAN in the Berkeley, California City Jail on April 16, 1970. SA COFFIN promptly advised LIPPMAN of the identity of the interviewing Agents and presented the Waiver of Rights Form (FD-395) to LIPPMAN at which time he indicated that he would neither sign the waiver form nor would he consent to be interviewed without his attorney. It is my recollection that a waiver form was prepared on April 16, 1970, and I cannot account for the fact that this file does not reflect same in the 1A exhibit envelope other than a case was being opened on the subject and that the waiver form was misplaced upon submission. SA COFFIN and I inadvertently failed to prepare an interview log in this matter.

I regret that these omissions were overlooked at the time and also that we failed to note that the subject was advised of the identity of the interviewing Agents and the nature of the inquiry in the opening paragraph of the FD-302 reporting the attempted interview of the subject on April 16, 1970.

I will make every effort to see that omissions of this type do not occur in the future in any investigation to which I am assigned.

SUPERVISOR ALBERT G. HIGGINS: This case was assigned to Squad #11 as of 6/15/70 and the above delinquencies were noted during the course of normal file reviews; however, nothing could be done to rectify this matter at that time. Agents are continually reminded on the New Left Violence Squad at squad conferences as to the necessity of setting forth in the FD-302 in any interview of a subject arrested on local charges with the possibility of a Federal violation the fact that he is being warned of his rights, the identity of the interviewing Agents, and the nature of the inquiry. Also, that the interview log and Waiver of Rights Form must be completed and retained as required.

SUPERVISOR ROBERT S. BERRYMAN: It is regretted that these delinquencies were not detected. It is an unusual situation in security investigations and this will serve to impress upon us to follow proper procedures in the future.

MB
SAC ROBERT E. GEBHART: Continued emphasis will be given to proper use of the FD-395 and interview logs so that no instance of omission will recur.

INSPECTOR *Arnold C. Larson* ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.

323 A.

SUBSTANTIVE ERROR WRITE-UP

AMERICAN COMMITTEE FOR JUSTICE
IN THE MIDDLE EAST -
SAN FRANCISCO BAY CHAPTER
INTERNAL SECURITY - MIDDLE EAST
SAN FRANCISCO FILE 105-25846

INSPECTOR *Arnold* ARNOLD C. LARSON: This is a pending case which was opened and assigned to SA Richard E. Stephens on 3/9/70. This case is supervised on the desk of Supervisor Richard G. Fletcher, Jr.

This matter was opened based on information indicating captioned organization had formed a chapter in the San Francisco Bay Area. San Francisco's investigation planned to establish the identity and national character of this group, its aims and objectives, and to identify the local persons involved in this group.

In March, 1970, through a check of U. S. Post Office records, San Francisco developed information concerning the Post Office Box utilized by the local chapter. The box was rented by Ibrahim Y. Tawasha. Tawasha was subsequently developed by the San Francisco Office as a Potential Security Informant.

A review of San Francisco File 105-25846 discloses that Tawasha had been contacted on two occasions relative to captioned organization, once in April, 1970, and again in June, 1970. The brief and negative information he furnished did not resolve any of the original planned investigation by your office in this matter.

San Francisco memorandum dated 6/23/70 reporting the results of contact with Tawasha on 6/19/70 showed that a future discussion was contemplated with Tawasha relative to captioned organization. San Francisco File 105-25846 indicates no other investigation has been conducted to date.

SAN FRANCISCO INSPECTION

10/26/70

SSC:kah

SO

324.

Manual of Instructions, Section 87B, pages 12 and 13, sets forth specific instructions in handling investigations of newly formed organizations, including the need to promptly advise the Bureau.

EXPLANATIONS REQUESTED

SA Richard E. Stephens is requested to explain why he failed to advise the Bureau, and the reason for the delay and inadequate investigation.

Supervisor Richard G. Fletcher, Jr. is requested to explain why he failed to detect the above delinquencies in his overall supervision of this matter.

Comments of SAC requested.

RS SA Richard E. Stephens
10/28/70:

to properly handle this case. Every effort will be made to prevent a recurrence.

I have reviewed the Inspector's comments and regret my failure

to properly handle this case. Every effort will be made to prevent a recurrence.

RSJ Supervisor R.G. Fletcher, Jr.
10/28/70:

relative to the mishandling of the above case and regret that this matter was not more closely followed by me. I will make every effort to provide more careful supervision of such cases in the future.

I have carefully reviewed the comments of the Inspector

SAC Gebhardt
10/28/70:

conference, I will emphasize to the supervisors and the agents the necessity for promptly and thoroughly handling all investigative matters assigned to them.

At my next bi-weekly supervisory conference and the next all agents

Arnold
INSPECTOR ARNOLD C. LARSON: There is no Seat of Government
culpability in this matter as
this error or delinquency could only be detected through
a review of the field office file.